



Daily Report

East Asia

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Daily Report

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NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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Daily Notes Merits of ASEAN Free Trade Area

*BK2310041191 Bangkok THE NATION in English
23 Oct 91 p B3*

[Article by Dr Narongchai Akrasane: "The Case for a Strong ASEAN Free Trade Area"]

[Text] The Association of Southeast Asian Nations (ASEAN) has been in existence since 1967.

So far, its achievement in political cooperation has been remarkable, as evidenced by the fact that there has been no conflict among the member countries since then.

In a meantime while its economic cooperation has been proliferating in many areas, none, however, is considered to be significant.

The six member countries remain as six separate markets, separated by high tariff and non-tariff barriers especially among some large member countries.

In the day when world trade is being managed in several forums, including multilateral trade negotiations through the General Agreement on Tariffs and Trade (GATT), regional integration especially the European Community [EC], free trade areas such as the European Free Trade Association (EFTA) and the U.S.-Canada Free Trade Area, an economically insignificant country is naturally ignored.

And as international production is continuously being transformed from a national basis to a global one, major multi-national corporation seek to relocate their multi-plant set-up among countries with least trade barriers.

If ASEAN remains an association of six separate markets, then ASEAN would have less chance of participating in the global production, the result of which is the shortfall in the much needed foreign investment and export earnings.

ASEAN is well aware of the benefits to be gained from economic integration.

Several market sharing schemes, including the Preferential Trading Arrangements (PTA), the ASEAN Industrial Joint Venture (AIJV), the ASEAN Industrial Complementation (AIC), have been attempted.

But so far none of the scheme is considered to have produced meaningful result. This is because while recognizing the benefits of the market sharing schemes, there were different constraints in different member countries which prevent them from making real commitment to the schemes.

All of the schemes have involved tedious negotiation processes, which have inevitably delayed the realization of the benefits of the schemes.

The proposal for a breakthrough in ASEAN economic cooperation is for ASEAN to veer towards the establishment of a free trade area within a set period of time. The rationale for a key elements of the proposal are outlined below.

Economic and political reasons for closer economic cooperation:

The major move on ASEAN economic cooperation began after the Bali Summit of 1976. Schemes adopted were PTA, AIC, AIJV, and ASEAN Industrial Projects (AIPs).

These schemes all ran into difficulty during implementation because the industries of most member countries still required certain levels of protection.

So in order to safeguard national interest, most countries seek exemption on most preferential issues negotiated, so much so that the resulting schemes were not producing intended results.

It also happened that at that time some ASEAN economies benefitted from commodities and oil boom, and did not need to rely on ASEAN economic cooperation schemes for development needs.

In the early 1980s all ASEAN countries suffered from world recession, experiencing low economic growth and high inflation.

Again economic cooperation was thought to be a means for economic recovery. ASEAN, therefore, decided to hold the Manila Summit, emphasizing economic cooperation.

Preparations by both public and private sectors for the summit were concentrated on effective schemes for economic cooperation many of which were endorsed at the Summit.

But by the time the summit was held in December 1987, all ASEAN economies were recovering very rapidly following the major currencies realignment which led to export and investment boom in ASEAN.

So the improved agreements reached at the Manila Summit have received very little attention since then.

From 1987 to 1991 several developments have taken place, which have made ASEAN economic cooperation more of necessity and reality.

Firstly, most ASEAN countries have been liberalizing tariff and import regime, partly because of GATT requirements during the Uruguay Round, and partly because of the belief that a more liberal regime will produce a more competitive industrial sector.

This trend is continuing. For some member countries, lowering tariff and non-tariff barriers to allow competition first with other ASEAN countries could be helpful to the process of adjustment and industrial restructuring.

Secondly, the world industrial production technology has become more globalized.

In order to remain competitive, multinational corporations have to relocate and to set up multi-plant operations. The process is facilitated and accelerated by the revolution in transportation and telecommunications technologies.

The pattern of trade and foreign investment is now very much influenced by this process of global industrial restructuring.

So if ASEAN wants to be a part of this process, wants to attract foreign investment, and wants to produce and export industrial goods, then ASEAN must facilitate the flow of goods among the member countries so that multinational corporations can invest in multi-plant operations in ASEAN and can rely on market larger than a national market.

Thirdly, there have been moves by several advanced countries to strengthen or to form economic or trade groups. The EC is moving towards Single Market by the end of 1992.

Other European countries are likely to join the EC soon after. The United States, Canada and Mexico are working towards the North American Free Trade Area.

These groups are being used to facilitate the flow of goods and services, and factors of production among the member countries.

Also they are utilized to negotiate trade issues within or outside GATT. In this set-up the non-group developing countries become very insignificant at negotiation tables.

So if ASEAN wants to be more effective at trade and other economic negotiations, ASEAN must become an economic entity.

Fourthly, following the formation of economic groups described above, there are now moves to form regional economic groups in the Asia Pacific region which will involve ASEAN.

Asia Pacific Economic Cooperation (APEC) has been in existence for two years now. And recently the Prime Minister of Malaysia, Dr Mahathir Mohamad, has proposed the promotion of an East Asian Economic Group (EAEG).

These groups will be beneficial to ASEAN. But ASEAN will benefit even more if ASEAN can participate in the groups as a strong economic entity.

In this connection, the EAEG has strong potential to be the third biggest economic region of the world apart from North America and the EC.

In fact the process of production integration among the East Asian countries have already begun, led by Japan,

South Korea, Taiwan and Hong Kong, using direct investment and intra-company transactions as means.

If the six ASEAN countries could become one market with 325 million people and an average per capital income of US\$1,100, then it would only enhance the role of ASEAN in the APEC and the EAEG.

So expanding market among the ASEAN countries today is not only beneficial to the ASEAN people; it is also feasible. What is needed now is the political will of their respective heads of government.

ASEAN is fully aware of the need for ASEAN to represent itself as an economic entity.

In order for the entity to be of maximum benefits to the member countries and to be taken seriously ASEAN must adopt an economic cooperation scheme which has:

- A goal clearly and internationally understandable;
- A time-frame definitive enough for investment planning purpose;
- Modalities allowing a reasonable balance between automaticity and negotiations; and
- Mechanisms practical and cost effective for implementation and enforcement.

The four elements of the proposal are elaborated below.

ASEAN should set as the goal the status of the ASEAN Free trade Area (AFTA), as an ultimate objective of the means towards attaining the ASEAN economic entity.

The term "Free Trade Area" is an internationally understandable term. It will convey the meaning to the ASEAN members and the world economic community that, when the status of AFTA is achieved.

ASEAN will allow goods among the member countries to flow without being subject to tariff and non-tariff barriers. The flow would be meant for production as well as marketing purposes. Certain sectors in ASEAN may be sensitive to this term, lest they will not be able to compete without protection.

It is believed however that they can be accommodated by means of a suitable time-frame and flexible modalities as proposed below. Moreover, as all sectors will soon have to compete with products from non-ASEAN sources, it should be to their advantage to compete first with their ASEAN counterparts.

The time-frame proposed for the achievement of AFTA is 15 years.

Setting a time-frame for AFTA is considered necessary for investment planning purpose. The 15-year time-frame is proposed because it would allow the newly developed basic industries in some ASEAN countries to mature.

A shorter time-frame of 10 years will have a very strong impact locally and internationally, which is desirable for long term industrial competitiveness. But the 10-year

time-frame may not be realized and hence impractical. On the other hand a 20-year time-frame will be too long to be taken seriously by local and international investors.

Within the 15-year time-frame there will be a series of time-frames ASEAN may announce, all leading towards the status of AFTA at the end of year 15.

For the member countries which are not ready to participate in the scheme at this time, they may be allowed to have an accession period of not more than three years, so that they will not delay the scheme.

A sub-sectoral approach should be adopted for working towards AFTA.

Negotiations are carried out at the time of the sub-sectors are selected, after which the tariff and non-tariff barriers are reduced automatically according to the preset schedule, which can vary from sub-sector to sub-sector.

The sub-sectoral approach is proposed because it requires negotiations only at the point that is necessary. The sub-sectors should be classified in accordance with chapters of the harmonized system (HS) of tariff code.

Each time for example at the regular summit of two-year interval, a few sub-sectors each covering about seven to 10 chapters of the HS should be selected, starting with the less sensitive sub-sectors and leaving the more sensitive sub-sectors such as agriculture towards the end of the 15-year time-frame.

Products within the sub-sectors will have their tariff and non-tariff barriers reduced gradually towards naught within a set time-frame. Having agreed on the sub-sectors, no exclusion list is allowed.

Certain member countries may request an accession period of not more than three years.

The sub-sectoral approach can be supplemented by the selection of certain products the member countries feel that they are ready for free trade, such as cement, fertilizer and paper pulp.

The process of tariff reduction can proceed along with the on-going PTA scheme and the proposed common effective preferential tariff (CEPT) scheme. As ASEAN has agreed in principle to apply the CEPT as a method for tariff reduction, the AFTA can adopt CEPT as the starting point for the sub-sectors selected for free trade.

With respect to AFTA the CEPT should be the maximum rates acceptable by all member countries, which could be an average of the existing rates.

The member countries with existing tariff rate being lower than this rate need not increase their rates. Then 50 percent of tariff reduction on current CEPT will be automatically applied in the second and third years.

For example, a 40 percent CEPT will be reduced to 20 percent and 10 percent in the second and third year, respectively. The CEPT will be zero in the fourth year.

With respect to PTA and AIJV, if the products under the PTA and AIJV are included in the sub-sectors selected for AFTA, then they would be automatically transferred to the AFTA scheme.

Non-tariff barriers should be gradually phased out by first applying standstill and then rollback principles, to be completed within the set time-frame.

For each sub-sector selected the process of tariff reduction and phasing out of non-tariff barriers should be similar. The number of years to achieve AFTA for different sub-sectors may be different but should not exceed six years.

For the scheme to be binding there should be an agreement in the form of a declaration which spells out the targets and the mechanism for the development of the AFTA.

The GATT principles and methods of tariff reduction should be applied, subject to modification to suit ASEAN working style and conditions. Experts on customs tariff must be included in the group negotiating on CEPT and tariff reduction.

And ASEAN should set up a mechanism for compulsory and binding arbitration of disputes. Detailed mechanisms can be negotiated after the pronouncement of the establishment of the AFTA.

Other allowances such as safeguard of tariff reversal provision should be provided but only in extreme cases only.

If necessary, measures to raise trade barriers to safeguard any products seriously injured by AFTA could be fashioned along the line of Article XIX of GATT.

However, to avoid misinterpretation and inconsistency, such provision should be avoided as much as possible. A scheme which should be made available to the industries adversely affected by AFTA is in the form of an investment fund, to be used for restructuring purpose.

Japan**Further on Visit by Netherlands Queen Beatrix****Notes 'Deep Gulf' in Relations**

*OW2210145191 Tokyo KYODO in English 1340 GMT
22 Oct 91*

[Text] Tokyo, Oct. 22 KYODO—Queen Beatrix of the Netherlands said Tuesday that World War II caused a "deep gulf" between her country and Japan, and that many Dutch people are still suffering from their experiences during the war.

Japanese Emperor Akihito reiterated Japan's strong determination to live as a peace-loving nation and to make positive contributions to the international community.

The Dutch queen and the Japanese emperor were speaking at a court banquet at the Imperial Palace.

Queen Beatrix praised the long and close relations between the two countries, saying, "the historical link between our nations is almost four centuries old."

"Unfortunately," she said, "a deep gulf between our two peoples resulted from events in the Second World War. A great number of Dutch people became victims of the war in the Pacific."

"Some were involved as members of the forces, but over 100,000 civilians were also interned for many long years," she went on to say, adding that many of her compatriots did not survive the war.

"Those who did return are marked for life by their experiences. Consequently, they are still suffering, in spite of the time that has passed since then," the queen said.

Queen Beatrix's reference to Dutch people detained by Japan during the war was apparently to give some explanation for deep rooted anti-Japanese sentiment among her people.

On Saturday, one day before Queen Beatrix's arrival in Japan, a group of Dutch people who had been interned by Japanese soldiers during the war called on Japan to admit its guilt, express regret for "committing gross violations of human rights," and award them compensation.

According to the Foundation of Japanese Honorary Debts of the Netherlands, some 141,000 Dutch soldiers and citizens were held in Japanese prisoner-of-war camps from 1942 to 1945, and about 20 percent of them died during detention.

In 1986, a planned visit to Japan by Queen Beatrix was canceled, reportedly because of strong opposition in the Netherlands based on bitter war memories.

Former Prime Minister Noboru Takeshita expressed deep regret over the detentions when he visited the Netherlands in June 1988.

The issue had been legally settled in 1956 when the governments of Japan and the Netherlands exchanged diplomatic documents, and Japan paid 10 million dollars in reparations.

The Dutch queen stressed the importance of efforts to overcome the unfortunate past, saying, "the new generation in both our countries, better equipped through their knowledge of the past, must now be free to face the future."

The queen's speech was in English and was of a length unprecedented in state dinner orations.

Emperor Akihito spoke prior to the queen's speech.

Reflecting on four centuries of close bilateral relations, Emperor Akihito said, "I find it very sad that such friendly relations should have been marred because of World War II."

"After the war," the emperor added, "Japan resolved that it would live as a nation of peace so that it should never repeat the horrors of war."

He also said, "Japan has endeavored to build a new friendship with the Netherlands and all the peace and prosperity of the world."

Among some 120 dignitaries at the dinner were Crown Prince Naruhito, Prime Minister Toshiki Kaifu, and Dutch Prince Willem-Alexander who is accompanying Queen Beatrix on her weeklong visit to Japan.

Queen Beatrix arrived in Japan on Sunday, resting at the Aso hot spring resort in Kumamoto Prefecture before flying to Tokyo on Tuesday.

The Dutch queen is scheduled to visit the Diet on Thursday.

Kaifu Apologizes for WWII Abuses

*OW2210135891 Tokyo KYODO in English 1346 GMT
22 Oct 91*

[Text] Tokyo, Oct. 22 KYODO—Prime Minister Toshiki Kaifu told Dutch Queen Beatrix on Tuesday that Japan "regrets" its infliction of "unbearable sufferings and sorrows" on Dutch internees during World War II.

Kaifu made the reference to the Dutch internees during a meeting with the Dutch monarch before a banquet in her honor hosted by Emperor Akihito.

Kaifu was also quoted as saying that he intends to frankly express his feeling of contrition for Japan's role in the "sad incidents of the past" when he hosts a luncheon in the queen's honor Wednesday.

Queen Beatrix told Kaifu she wants to make every efforts to be sure that the Japanese people understand the message she intended to convey in remarks made at the imperial banquet.

At the court banquet, Queen Beatrix said that the Japanese people are not very aware of the fact that during World War II numerous Dutch soldiers and more than 100,000 civilians were interned for several years.

The queen pointed out that many did not survive, and "those who did return are marked for life by their experiences."

The Netherlands says more than 138,500 Dutch soldiers and citizens were taken prisoner during the December 1941 Imperial Army invasion of present day Indonesia, then a Dutch colony.

Dutch estimates also say some 8,200 soldiers and 13,120 civilians died during their subsequent incarceration, including 728 who were sent to forced labor camps in Japan.

Emperor Akihito told Queen Beatrix at the banquet that he finds it "very sad" that the traditionally friendly ties between the two nations "should have been marred because of World War II."

Officials said Kaifu told the monarch that he wished he was able to directly convey his regrets when he visited the Netherlands last July. The queen was absent at the time of his visit.

Kaifu pointed out that overall friendly relations between the two countries stretch far back into history and said he expects relations to be strengthened further in the future, the officials said.

He recalled that a Dutch trading post established in southern Japan during the days of Japan's self-imposed isolation in the mid-1600's served as a key gateway for the introduction of Western culture.

Queen Beatrix is the first Dutch head of state to visit Japan.

Kaifu Hails Friendly Relations

*OW2310054191 Tokyo KYODO in English 0527 GMT
23 Oct 91*

[Text] Tokyo, Oct. 23 KYODO—Prime Minister Toshiki Kaifu on Wednesday hailed Japan's "historically friendly relations" with the Netherlands, attributing Japan's smooth modernization in the 19th century to Dutch studies during the Edo period.

Kaifu, hosting Queen Beatrix at a luncheon at the prime minister's residence, also expressed "a sense of sincere contrition" for Japanese actions against Dutch nationals during World War II in what is present day Indonesia.

In greeting the visiting monarch, Kaifu was upbeat in hailing Japan's friendly relations with the Netherlands

for nearly four centuries, adding it is "one of Japan's oldest friends among the European countries."

He noted that even during Japan's days of self-imposed isolation of the 1603-1867 Tokugawa shogunate, Japan continued to acquire knowledge of the Western world through Dutch texts obtained at the trading port of Dejima in Nagasaki.

The study of these texts was called "rangaku" or Dutch studies, Kaifu explained to the queen, adding the knowledge obtained from them was "one of the major factors for the smooth modernization of Japan since the (1867-1912) Meiji period."

He noted specifically the "significant contributions to the modernization of Japanese medicine" by Dutch medical officers stationed at Dejima and, more recently, accomplishments in engineering, including a number of river and waterworks projects.

Following up on remarks made Tuesday evening at a state banquet hosted by Emperor Akihito for the queen, Kaifu acknowledged again Wednesday that during World War II, "many Dutch nationals residing in the then Dutch (East) Indies underwent unbearable sufferings and sorrows."

During his visit to the Netherlands in July, Kaifu said he became aware that "the scars in their hearts would not heal easily."

With a sense of "sincere contrition" for past actions, Japan has made "strong efforts since the end of the war to translate its idea and resolve to be a peaceful nation into actual policies," Kaifu said.

The Netherlands has said more than 138,500 Dutch soldiers and civilians were taken prisoner in present day Indonesia, then a Dutch colony, during a sweep through Southeast Asia in December 1941 by the Japanese Imperial Army.

Dutch estimates say some 8,200 soldiers and 13,120 civilians died during their incarceration, including 728 sent to labor camps in Japan.

Joint-Australian Business Meeting Concludes

*OW2210151091 Tokyo KYODO in English 1318 GMT
22 Oct 91*

[Text] Nagoya, Oct. 22 KYODO—Japanese and Australian businessmen ended two days of talks Tuesday with a call for a successful conclusion to the stalled Uruguay Round of multilateral trade talks.

The Japan-Australia Business Cooperation Committee said the successful conclusion of the talks, held under the auspices of the General Agreement on Tariffs and Trade (GATT), would create a free trade structure of benefit to both countries.

Their comments on the GATT talks were included in a written summary of their discussions, released at the end of their meeting in the central Japanese city of Nagoya.

When queried at a post-meeting press conference about the huge purchases of Australian real estate by Japanese, an Australian representative said public criticism has subsided.

Interest in Australian real estate as an investment has declined, partly because of the slowing of the Japanese economy. As a result, criticism against the Japanese has died down, he said.

The businessmen are scheduled to meet again in Melbourne, Australia on October 18-20 next year.

Ministry Seeks Support in Opposing Tariffication

*OW2310112591 Tokyo KYODO in English 1054 GMT
23 Oct 91*

[Text] Tokyo, Oct. 23 KYODO—The Ministry of Agriculture, Forestry, and Fisheries on Wednesday dispatched officials to Canada and three European countries to woo them in its campaign against the "tariffication" scheme in the global trade talks, ministry sources said.

The officials will seek backing to retain Article XI.2.(C), of the General Agreement on Tariffs and Trade (GATT), which allows countries to limit imports of agricultural items whose output is domestically controlled.

The four countries, including Norway, Finland, and Germany, are also opposed to omitting the GATT clause.

Under the proposed tariffication scheme, tabled at the GATT-sponsored Uruguay Round of multilateral trade talks, all nontariff barriers for farm imports will be converted into tariffs.

Japan is fiercely opposed to the concept in order to defend its longstanding ban on rice imports.

But moves to approve the scheme are gaining momentum as the European Community (EC) is softening its former protectionist stance over farm trade reform prior to the deadline of the five-year talks at the end of the year.

Miyazawa on Aid to Cambodia, Trade Concessions

*OW2210133391 Tokyo KYODO in English 1319 GMT
22 Oct 91*

[Text] Tokyo, Oct. 22 KYODO—Kiichi Miyazawa, virtually assured of becoming prime minister, said Tuesday that Japan should help finance policy measures aimed at bringing reconciliation among warring Cambodian factions.

"The United Nations are most concerned about the issue of which country would dare to financially support this

big task," Miyazawa told a news conference in Omiya, Saitama Prefecture, near Tokyo.

The former foreign minister said he foresees a possibility Japan may receive U.N. requests to send personnel to monitor upcoming general elections in Cambodia.

"Japan may be asked to (initially) carry out part of the administrative work of the (new) Cambodian government," he said.

Miyazawa, Hiroshi Mitsuzuka, and Michio Watanabe are running in the October 27 election for the presidency of the Liberal Democratic Party [LDP]. The LDP presidency carries with it the post of prime minister.

Miyazawa hinted he would oppose a proposed hike in the consumption tax rate from the current 3 percent level. "The government should not consider increasing the tax in an easy manner."

Miyazawa reiterated his earlier vows to bolster government spending for public works projects, saying, "the buildup of social infrastructure is not only necessary, but also Japan's promise to the United States."

Miyazawa also met Tuesday with Prime Minister Toshiki Kaifu's political mentor Toshio Komoto and said Japan may face the need to exchange "mutual concessions" with its trade partners to break the protracted stalemate in global agricultural trade talks.

Komoto, who leads the LDP's smallest faction, urged caution in talking about mounting U.S. calls for Japan to lift its import ban on foreign rice, LDP sources said.

Komoto also called on Miyazawa to demand large-scale conventional arms disarmament from the Soviet government, on top of nuclear disarmament, before giving substantial financial aid to the Soviet Union, the sources said.

He proposed an early cut in the official discount rate to help boost the slowing economy.

Miyazawa expressed support for Komoto's arguments, saying he will manage the government with his advice in mind if he comes to power.

Russian Official Hails Economic Revamp Proposal

*OW2110130891 Tokyo KYODO in English 1251 GMT
21 Oct 91*

[Text] Osaka, Oct. 21 KYODO—A senior official of the Russian Republic, welcoming Japan's proposal for industrial restructuring, said Monday the republic's government will promote the use of military facilities for production of consumer goods.

Viktor Glukhikh [name as received], a senior official at the Industry Ministry, made the remark in an interview with KYODO NEWS SERVICE while commenting on a Japanese proposal for a swift industrial restructuring to promote transformation of the Soviet economy.

He is visiting Osaka to attend the second "global business opportunities convention" which opened Monday.

The proposal was made by Eiichi Nakao, minister of international trade and industry, in meeting with Soviet leaders in Moscow Monday.

Glukhikh said he welcomed the proposal because the republic's government is seriously considering ways to promote economic transformation.

Enterprises under supervision of the defense department are equipped with advanced technologies and able to cooperate with foreign companies in promoting the country's transition to a market economy, he said, adding that these defense-oriented corporations can be turned into private firms.

Glukhikh said the Russian Republic is rich in energy resources and priority should be given to development of industries to produce vitally needed commodities.

Only 20 percent of all industries in the republic manufacture consumer goods, he added.

He said Japan's advanced oil refining technology can help the Soviet Union increase oil production to earn foreign currencies, while the space industry can help foreign firms launch communications satellites and divert its earnings for production of commodities.

Glukhikh said the Ukraine Republic declined to sign an economic pact with Moscow because it is preoccupied with preparations for a presidential election.

He predicted that the republic will sooner or later participate in the treaty, adding all republics should participate in the pact to prevent the political unity of the Soviet Union from falling apart.

Hungarian Trade Official Predicts Inflation Peak

OW2310083091 Tokyo KYODO in English 0716 GMT 23 Oct 91

[Text] Osaka, Oct. 23 KYODO—Hungary's inflation and unemployment rates will peak by the end of next year, a top Hungarian trade official predicted in Osaka on Wednesday.

Frigyes Banki, head of the country's investment and trade promotion agency, told a news conference that Hungary's inflation rate will decline to 22 to 25 percent in 1992 and to less than 10 percent by 1994, from an estimated 36 to 37 percent this year.

He said the number of jobless workers will peak at 500,000 next year, up from 300,000 this year.

Asked about his government's plan to promote privatization of state-owned corporations, the official said gross output by state-run enterprises will be brought down to 30 to 45 percent of Hungary's total output in 1995, from 90 percent in 1990.

Banki is in Osaka to attend the second Global Business Opportunities Convention, which began Monday.

'First-Ever' Commercial Flight Leaves for DPRK

OW2310043391 Tokyo KYODO in English 0409 GMT 23 Oct 91

[Text] Niigata, Oct. 23 KYODO—A chartered passenger plane, carrying some 140 tourists, departed from Niigata Airport Wednesday afternoon for Pyongyang for the first-ever commercial flight between Japan and North Korea.

North Korea has refused to issue visas to five Japanese journalists who applied for permission to enter the nation on the flight, travel agency officials said.

North Korea declined to reveal the reasons for the refusal, issued at a time when it allowed the ordinary tourists to visit the nation on the chartered flight of All Nippon Airways (ANA), the officials said.

The four-day tour on the flight was organized by Japan Travel Bureau (JTB), one of Japan's leading travel agents, and the Japan-China Travel Service.

The tourist group will visit the capital of Pyongyang and tourist spots in the suburbs of Pyongyang, they said.

JTB officials said the travel agency could not solicit the originally scheduled 220 tourists for the tour due to the long delay in obtaining the Japanese Government's authorization for the flight.

The officials said the Transport Ministry, which usually approves such applications from airline companies in one day, postponed the issuing of the approval more than two weeks.

ANA applied for the permission on September 13, but the ministry gave it on September 30, citing as a reason some shortcomings in filing the flight application document with the ministry.

North Korea issued visas to another group of Japanese journalists, who will visit the nation from Saturday on a cruise organized by a Tokyo-based civic group, "Peace Boat."

So far, Pyongyang has also given permission to the delegations from the Japanese Government on chartered flights on three different occasions to visit the nation on diplomatic missions.

Japan has no diplomatic ties with North Korea.

Yamaguchi Bank To Set Up Office in Jakarta

OW2210123191 Tokyo KYODO in English 1008 GMT 22 Oct 91

[Text] Kitakyushu, Fukuoka Pref., Oct. 22 KYODO—Yamaguchi Bank, headquartered in western Japan, will

set up a representative office in the Indonesian capital of Jakarta on October 30, the regional bank said Tuesday.

The bank, based in Shimonoseki, Yamaguchi Prefecture, will be the first Japanese regional bank to have an office in Indonesia.

The new office, with a staff of four, will gather and study information on the Indonesian economy and deal with local financial institutions in Jakarta, bank officials said.

The Jakarta office will be the latest of six overseas offices of the bank, which include a branch in Pusan, South Korea, and representative offices in Hong Kong and Dalian, China.

Kaifu on Imposing Rules for Securities Industry

*OW2310072191 Tokyo KYODO in English 0709 GMT
23 Oct 91*

[Text] Tokyo, Oct. 23 KYODO—Prime Minister Toshiki Kaifu Wednesday called on the Japanese securities industry to establish self-imposed rules as soon as possible to prevent a recurrence of the stock scandal.

In a speech at the national convention of the securities industry, Kaifu also said the securities organizations should build up their own system and business practices for surveillance and punishment of violations of the rules.

He said the self-control system has never functioned well in the Japanese securities industry mainly because the industrial organizations such as stock exchanges and the Japan Securities Dealers' Association lacked a recognition of the importance of self-restraint.

Kaifu said the industry should abandon its profits-above-all cult and rectify its sense of ethics, which he said is a far cry from "sound social common sense."

A revolution in the business mentality and establishment of firm business ethics in the industry are of the utmost importance, he said.

The prime minister pointed to a government advisory panel's recommendation in September, which called for the securities markets' own efforts for reform, and establishment of self-control rules and a system for overseeing companies in the business.

Kaifu pledged to give full respect to the recommendation.

The recommendation, submitted by the ad hoc commission on administrative reform, also urged the establishment of a new watchdog committee to oversee the industry, the liberalization of commission fees on stock transactions, and other reform measures.

The government has already revised the securities and exchange law to make it illegal for brokerage houses to pay compensation to clients for stock investment losses.

Such compensation was at the center of the stock scandal that rocked the Japanese stock market this summer.

Shogo Watanabe, chairman of the association, told the conference that the organization is working on such self-control rules, and will come up with a draft shortly.

The industrial organization is also taking steps to boost its investigation into the securities companies, and planning to introduce a licensing system for marketing managers of brokerage firms, and a ban on anonymous trading.

Watanabe, however, expressed caution toward growing calls for the liberalization of commission fees, claiming such a step could raise commissions for individual investors, as observed in overseas markets where commissions are liberalized.

Speaking at the same meeting, Gaishi Hiraiwa, chairman of the Japan Federation of Economic Organizations (Keidanren), warned that the lingering confusion in the Japanese stock market could have a serious impact on the Japanese economy.

He said Japanese companies have been plagued by difficulty in raising capital in the stock market for over a year because of the weakness of the market and the confusion caused by the scandal.

If such a situation continues, it could have a grave effect on the Japanese economy, which is showing increasing signs of slowing down, Hiraiwa said.

Bank Governor Reasserts Focus on Price Stability

*OW2310071091 Tokyo KYODO in English 0651 GMT
23 Oct 91*

[Text] Tokyo, Oct. 23 KYODO—Bank of Japan (BOJ) Governor Yasushi Mieno said Wednesday the central bank's monetary policy will continue to focus on price stability, arguing that the Japanese economy remains strong.

Speaking at a national conference of the securities industry, Mieno said the Japanese economy remains highly active, supported primarily by robust capital and consumer spending.

In particular, corporate investment in plant and equipment can still be called "brisk," he said, pointing to the BOJ's quarterly survey on business confidence in August.

Such investment is the principal determinant of the strength of economic growth in coming months, Mieno said.

The central banker said the investment trend shows that companies, despite a labor shortage, are running plants at high capacity and are keen to invest in streamlining and automatization.

All in all, the economy is likely to expand steadily, although the growth rate will gradually slow, Mieno said.

On the other hand, the trend in prices, especially for consumer goods, still requires close monitoring, he said.

While wholesale prices are stable, consumer prices refuse to decline substantially, due to upward pressure on service prices stemming from the tight labor market, he said.

The central bank should maintain a monetary policy emphasizing price stability and will keep tabs on economic developments both at home and abroad, Mieno said.

He added the BOJ will strive to help formulate "proper" market interest rates precisely reflecting economic conditions through its market control measures.

BOJ Foresees Slower Growth in Money Supply

*OW2310110291 Tokyo KYODO in English 1037 GMT
23 Oct 91*

[Text] Tokyo, Oct. 23 KYODO—The Japanese capital market will see a slower growth in money supply in coming months but that won't further dampen the economy, the Bank of Japan (BOJ) said Wednesday.

In its quarterly report on Japanese financial and economic conditions, the BOJ said the year-on-year growth in the broadly-defined money supply, which fell to a record low of 2.2 percent in September, will probably languish below the 3 percent line in the October-December quarter.

That will follow an average 2.8 percent increase in the July-September period, the BOJ said.

But a BOJ official briefing reporters said the slow growth in money supply is unlikely to discourage corporate activities since companies still have large amounts of liquidity on hand, and are now tapping wider options of fund-raising measures like borrowing from life insurance companies and issuing of corporate bonds.

"We don't see any major capital squeeze in the corporate sector at the moment," the official said.

He predicted monetary growth will hit bottom this month, picking up gradually after that.

The BOJ report also said capital spending, which it argues will call the tune on the economic growth trend in coming months, will stay robust.

It pointed to high capacity utilization ratios and brisk demand for investments to streamline and automatize production lines as the main factors that will prop up corporate investment in plants and facilities.

On the trade front, the report foresees a "slight" increase in Japan's external imbalances as steady growth in exports is expected to continue while imports will remain sluggish for a while.

But the BOJ official downplayed the political implications of increases in external surpluses, saying the total for the current year will come within 2 percent of gross national product, still much lower than the level several years ago, when it was a serious trade issue.

The BOJ report said the important policy target for the central bank at the moment is to stabilize consumer prices, which refuse to decline substantially.

Confident About Domestic Economy

*OW2210121291 Tokyo KYODO in English 1122 GMT
22 Oct 91*

[Text] Tokyo, Oct. 22 KYODO—The Japanese economy, underpinned by steady domestic demand, remains on an expansionary path, though its growth is less vigorous than before, the Bank of Japan (BOJ) reported Tuesday.

In a monthly survey on Japanese finances and the economy, the central bank acknowledged industrial output is generally stalled due to slower demand in the automobile and housing sectors.

The survey also cited fattening inventories as pointing to an economic slowdown.

But the BOJ said that although the pace has slackened, the economy is still maintaining its unprecedentedly long expansion, thanks to firm consumer and corporate spending.

The bank's upbeat view of the economy contrasts with growing pessimism in political and business circles, where calls for an early cut in the official discount rate have grown in recent days.

Industrial Bank Chairman Resigns Over Loan Scam

*OW2210120091 Tokyo KYODO in English 1108 GMT
22 Oct 91*

[Text] Tokyo, Oct. 22 KYODO—The Industrial Bank of Japan (IBJ), an influential financial institution, took another beating Tuesday when its chairman announced he will resign to take responsibility for the bank's involvement in one of the nation's worst financial scandals.

Speaking at a packed news conference, Kaneo Nakamura said he will step down from the IBJ's chairmanship to take responsibility for the scandals, which he said caused serious damage to the image of the 90-year-old bank and the Japanese banking industry as a whole.

Yo Kurosawa, IBJ president, will keep his post although he will take a 50 percent pay cut for the six months starting in November.

Nakamura said he was chiefly to blame for the scandals because he was president when the bank first entered into transactions in 1987 with Nui Onoue, an Osaka restaurant owner who was [words indistinct] fraud involving forged deposit certificates.

Kurosawa said he also considered resignation as one of his options but decided not to do so "to fulfill the bank's social responsibility, that is, to prevent a repeat of the scandals and restore the confidence in the IBJ and the banking industry as a whole."

The wide-ranging punitive measures, approved at an extraordinary board meeting earlier in the day, also included resignations of two managing directors and sharp pay cuts for all the remaining top management officials during the next six months.

Kisaburo Ikeura, an adviser who was chairman when the dubious transactions occurred, also offered his resignation, which Nakamura said will be shortly accepted. Investigations showed the IBJ and its financial affiliates lent as much as 240 billion yen to Onoue, a 61-year-old restaurateur and stock speculator who used as collateral 290 billion yen worth of debentures the bank sold her.

The bank also unwittingly accepted as collateral part of the 342 billion yen worth of deposit certificates forged by Onoue with the help of Tomomi Maekawa.

Maekawa, 58, is a former branch manager of the Osaka-based Toyo Shinkin Bank, and has also been arrested.

Nakamura said when he was president he knew that one Osaka client bought huge amounts of the IBJ debentures but that he did not realize at that time that the purchase would cause such trouble for the bank.

It was only last fall that the bank noticed irregularities in its transactions with Onoue and then began to collect its loans as much as possible, he said.

"I thought that Onoue was a good customer for us at first but now I think she is a very troublesome figure," he said.

Nakamura also admitted the case occurred partly because the bank, though an expert in trading with corporate customers, was "inexperienced" in dealing with individual customers.

Since Onoue borrowed with the bank's own debentures as collateral, the bank was "not careful enough," he said.

With its strong ties with the government, the IBJ played a role of main financier for Japanese industry during the country's postwar economic prosperity.

But the recent investigation indicated that even the uniquely influential bank is not free of scandal, as dramatic changes facing the banking world in the 1980s forced the IBJ into risky business with dubious figures such as Onoue, analysts said.

A series of resignations of key officials from Sumitomo Bank, Fuji Bank, and other prestigious banks illustrate how they have also paid a price for questionable business practices during the past decade's expanding speculative "bubble," analysts said.

Nakamura said the bank is still undecided about what to do with the 10 billion yen loss it suffered because it lent to Onoue, who is now virtually bankrupt with debts totaling 410 billion yen.

While the bank has the right to claim damages from Toyo Shinkin bank, it has to consider the confusion such an action would cause for the banking system, he said.

A former deputy manager of the IBJ's Osaka branch, who was directly in charge of transactions with Onoue, will be forced to take a leave because of his "immoral, inappropriate behavior as a banker," Nakamura said.

Nakamura conceded, however, that the bank's management rather than the official in question should bear the chief blame, saying it goes beyond one person's responsibility to lend such a large sum to an individual whose identity is not clear.

Steelmakers To 'Slash' Crude Production Oct-Dec

OW2110131491 Tokyo KYODO in English 1207 GMT 21 Oct 91

[Text] Tokyo, Oct. 21 KYODO—Japanese steelmakers will slash their production of crude steel in the October-December quarter for the first time in nearly three years, according to officials at the Ministry of International Trade and Industry (MITI).

Steelmakers together will produce 27.16 million metric tons of crude steel in the three months, a 5.9 percent decline from a year earlier and the first yearly drop since the January-March quarter of 1989.

The planned output is below the ministry's estimate of 27.45 million metric tons for the period, released in late September, signaling that the industry is more bearish over their business outlook than the government believes.

Industry sources said the downscaling in output reflects slower demand for steel from automakers and construction firms and weakening sales due to the series of typhoons since September, which combined to fatten their inventories.

While moderating output, steel concerns will try to trim their inventories, the sources said.

According to the ministry's September forecast, steel inventories will decrease to 8.08 million metric tons in the quarter, from 8.38 million metric tons in the prior three-month period.

Dioxins Reaching Record Levels Nationwide

*OW2110122291 Tokyo KYODO in English 1133 GMT
21 Oct 91*

[Text] Tokyo, Oct. 21 KYODO—Record concentrations of potentially carcinogenic dioxins exist in the nation's lakes and ocean, the Environment Agency reported Monday.

The report, based on the results of an agency fact-finding survey conducted in 1990, was submitted to a panel of experts on chemical substances of the central council for environmental pollution control.

Of 28 dioxins studied for the report, record high concentrations of the most toxic, tetrachloride 2,3,7,8 was detected in fish caught in Nagoya Bay.

Tests on sludge and bottom-dwelling fish and shellfish in 11 ocean areas and harbors, three lakes and swamps, and 11 rivers around the country showed widespread contamination from record concentrations of the chemicals.

The tests have been conducted since 1985.

The council said it does not consider the current dioxin levels pose a health threat, but warned that the situation warrants continued monitoring.

Tetrachloride 2,3,7,8 was found at Ise Bay near Nagoya port, Osaka Bay, and Suruga Bay off Shizuoka.

The highest concentrations of 5 ppt (one-millionth of a part per million) were in a mullet from Ise Bay.

Judged by the daily average consumption, according to the Ministry of Health and Welfare, of about 96 grams of fish, contamination at this concentration would only be harmful if a person weighing 50 kilograms ate more than 590 grams of fish every day.

However, compared to the 20-times stricter Scandinavian standards, for example, it would take a daily intake of only about 30 grams of the fish to cause health problems.

Three of four places sampled in Osaka Bay yielded fish contaminated to levels of 2-3 ppt.

Suruga yielded a sea bass with 1 ppt for the first time.

Tetrachloride 2,3,7,8 was found in sludge in Tokyo, Osaka and Hiroshima Bays as well as Kasumigaura lake in Ibaragi Prefecture and Suwa lake in Nagano Prefecture.

The highest concentration was 8 ppt in Osaka Bay.

Tetrachloride 2,3,7,8 was not found in shellfish, but relatively low toxicity dioxins such as tetrachloride 1,3,6,8 were found in shellfish in Tokyo Bay, Osaka Bay and the Kii channel between eastern Shikoku and Wakayama Prefecture.

The only place where dioxins were not found this time in either sludge or fish was the Kiso River which flows into Ise Bay.

Data from a survey the agency is currently conducting of areas surrounding paper factories is also due for release soon.

Meanwhile, a Tokyo Metropolitan Government Bureau of Public Cleansing Survey of seven garbage disposal plants in the city in 1990 shows a steep increase in dioxins being expelled into the air, indicating that contamination is not limited to rivers and ocean.

North Korea

First-Day Session of North-South Talks Begins

*SK2310015391 Pyongyang Korean Central
Broadcasting Network in Korean 0114 GMT 23 Oct 91*

[Text] The first-day session of the fourth round of North-South high-level talks is under way in the People's Palace of Culture in Pyongyang.

Yon Hyong-muk, premier of the DPRK State Administration Council and head of the North side's delegation to the North-South high-level talks; Kim Kwang-chin, general of the Korean People's Army [KPA]; An Pyong-su, vice chairman of the Committee for the Peaceful Reunification of the Fatherland [CPRF]; Paek Nam-chun, director of the CPRF Secretariat; Kim Chong-u, vice minister of the Ministry of External Economic Affairs; Choe U-chin, ambassador-at-large in the Ministry of Foreign Affairs; Kim Yong-chol, KPA major general, who are the delegates, and other suite members came to the conference room.

The delegates of the South side, headed by Prime Minister Chong Won-nik, and entourage members also came to the conference room.

At the meeting, Premier Yon Hyong-muk, head of the North side's delegation, began the keynote speech.

The meeting continues.

Yon Hyong-muk Presents Draft

*SK2310051891 Pyongyang KCNA in English
0437 GMT 23 Oct 91*

[Text] Pyongyang October 23 (KCNA)—In his keynote speech at the first-day session of the fourth round of the inter-Korean high-level talks which is open here, premier of the DPRK Administration Council Yon Hyong-muk, who is leading the North side's delegation, put forward newly drafted agreements which are urgent in resolving the peace problem on the Korean peninsula.

Stressing that peace on the Korean peninsula is the most urgent problem which the North and the South should resolve with primary attention, he advanced at today's session drafts of "declaration on the denuclearization of

Korean peninsula", "North-South nonaggression declaration" and "basic agreement on North-South reconciliation, cooperation and exchange", and urged the South side to agree to them.

It is stipulated in "declaration on the denuclearization of Korean peninsula" that the North and the South shall not test, manufacture, introduce, possess or use nuclear weapons.

It also stipulates that the North and South jointly verify the total and complete withdrawal of U.S. nuclear weapons and the removal of the nuclear bases in the South of the Korean peninsula, discharge the duty of simultaneous nuclear inspection as required by the international treaty, and publish at home and abroad a declaration on the denuclearization of the Korean peninsula.

The "North-South nonaggression declaration" stipulates that the North and the South shall not use arms against the other side, nor shall they infringe upon the other by force of arms.

And it states that the North and the South shall settle any differences and disputes between them peacefully through dialogue and negotiation and halt their arms race and carry out disarmament in order to firmly guarantee the agreement on nonaggression.

The "basic agreement on North-South reconciliation, cooperation and exchange" stipulates that the North and the South reaffirm and observe the three principles of national reunification laid down in the July 4 joint statement and pledge to make joint efforts to discontinue confrontation and competition in all the spheres, political, economic and cultural, and promote national reconciliation and unity and common development and achieve peaceful reunification.

If the South side finds it difficult to accept the separate adoption of the declaration on non-aggression and the document on reconciliation, cooperation and interchange between the North and the South, they may be adopted as one document, Yon Hyong-muk said, putting forward "draft declaration on nonaggression, reconciliation, cooperation and exchange between the North and South".

Tells South To 'Switch' Policy

*SK2310061691 Pyongyang KCNA in English
0448 GMT 23 Oct 91*

[Text] Pyongyang October 23 (KCNA)—Your side should get rid of your deep-rooted consciousness of confrontation first of all, instead of hoping for a "change" of somebody. Considering that this is a problem which must be solved before anything else for our dialogue and the country's reunification, we call upon your side to switch over to truly promoting great national unity without pursuing the policy of confrontation and to show it to us practically at the current talks.

Premier of the DPRK Administration Council Yon Hyong-muk, head of the North side's delegation, said this, in his keynote statement at today's session of the fourth round of the inter-Korean high-level talks which is open here.

He said if all contacts and dialogues, mutual visits and exchanges between the North and the South are regarded as forms of confrontation for superiority and victory and the other side is treated from the viewpoint of confrontation there will be nothing but friction and conflict, and no reconciliation and agreement in the true sense of the terms will ever be expected.

Peace on the Korean peninsula is the most urgent problem which the North and the South should resolve with primary attention, he said, and stressed that the solution of this problem is the best way for building confidence between the North and the South and is a short cut to the normalization and improvement of the North-South relations.

Noting that the situation prevailing at home and abroad today has opened up before us the best chance ever known for the solution of the peace problem of our country, he said: Today the solution of the peace problem on the Korean peninsula is raised as a matured requirement. Under this favourable situation we must not delay the solution of the problem any longer or hesitate but make a resolute decision to take immediately a dramatic measure for peace from the standpoint of sincerely wishing for the wellbeing of our fellow countrymen and the peace of the country.

Recently proposals for the elimination and reduction of tactical nuclear weapons were put forward by the Soviet Union and the United States and both sides expressed their welcome. Such being the situation, we must no longer turn away our faces from the matter of denuclearization of the Korean peninsula nor must we delay the settlement of this question, he said.

We consider that the adoption of a "declaration on the denuclearization of Korean peninsula" by the North and the South is highly necessary, he said, putting forward the draft declaration as an urgent proposal.

The declaration deals with the problems which are necessary for the North and the South to remove the danger of nuclear war once and for all on the Korean peninsula, contribute to the peace of our country and security of Asia and the rest of the world and create favourable preconditions for the peaceful reunification of the country.

The declaration says:

The North and the South shall not test, manufacture, introduce, possess or use nuclear arms.

The North and the South shall prohibit the deployment of nuclear weapons on the Korean peninsula and within their territory and the passage, landing and call of aircraft and warships which are or might be loaded with

nuclear weapons through their airspace or territorial waters, and shall not conclude any agreement with a foreign country which allows the deployment and stockpile of nuclear weapons in their regions and which accepts the offer of a "nuclear umbrella".

The North and the South shall jointly verify the total and complete withdrawal of U.S. nuclear weapons and the removal of the nuclear bases in the South of the Korean peninsula, discharge the duty of simultaneous nuclear inspection as required by the international treaty, and publish at home and abroad the declaration on the denuclearization of the Korean peninsula.

The North and the South shall take an external measure so that the United States and the nuclear-possessing nations around the Korean peninsula may not pose a nuclear threat against our country and may respect the status of the denuclearized Korean peninsula and form a joint organization to carry into effect this declaration in a short span of time after the announcement of the declaration.

Yon Hyong-muk said: The denuclearization of the Korean peninsula must begin with a complete withdrawal of the U.S. nuclear weapons from South Korea, and this must be the main content of its denuclearization.

As for the "nuclear inspection" of our area, we will agree any time to a simultaneous inspection of North and South in accordance with the international accords when the complete withdrawal of all the U.S. nuclear weapons from South Korea has been confirmed.

We recognize this to be the most feasible and reasonable way of denuclearizing the Korean Peninsula and removing the danger of nuclear war.

To adopt a "North-South nonaggression declaration" is one of the basic factors of the guarantee of a durable peace in the country, the head of the North side's delegation noted, adding: We must not hesitate or delay the settlement of this question, but make a bold decision in compliance with the requirements of the new situation.

We hope that, at this session, the questions of the realization of reconciliation, cooperation and exchange in political, economic and other fields, in addition to the "North-South nonaggression declaration", will be discussed, he said, and put forward two newly drafted agreements for the purpose of completing quickly and smoothly agreements based on common points.

The "North-South nonaggression declaration" deals with the problems which arise in preventing armed encroachment and conflict, ease tension, ensure peace and create favourable preconditions for peaceful reunification.

According to it, the North and the South shall not use arms against the other side, nor shall they infringe upon the other by force of arms, but settle any differences and

disputes between them peacefully through dialogue and negotiation. And the North and the South shall designate the Military Demarcation Line established in the Agreement on the Military Armistice in Korea dated July 27, 1953 as the demarcation line of nonaggression and halt their arms race and carry out disarmament in order to firmly guarantee the agreement on nonaggression.

It is stipulated in the "basic agreement on North-South reconciliation, cooperation and exchange" that the two sides reaffirm the three principles of national reunification set out in the July 4 joint statement and pledge to make joint efforts to observe these principles, discontinue confrontation and competition in all spheres, political, economic and cultural, and promote national reconciliation and unity and common development and achieve peaceful reunification.

It states: The North and the South shall recognize and respect each other's ideology and social systems, refrain from interfering in the internal affairs of the other side, cease to abuse and slander the other side and refrain from all acts aimed at destroying and overthrowing the other side.

The North and the South shall ensure free travels and contact between the personages and people from all walks of life and effect economic cooperation and exchange for unified development of the national economy and prosperity of the whole nation.

The North and the South shall exchange information on the successes and experience and cooperate with each other in all spheres such as science, technology, education, literature and art, public health, sports, publication and the press, effect cooperation and exchange in the humanitarian sphere and take steps to alleviate the sufferings of the separated families and relatives.

The North and the South shall discontinue confrontation and competition and cooperate with each other in the international arena and jointly conduct external activities.

The new "North-South nonaggression declaration" and the "basic agreement on North-South reconciliation, cooperation and exchange" we have proposed are documents of practical significance in that they put the three principles of national reunification in a concrete form, Yon Hyong-muk said, adding: Therefore, the adoption and publication of the documents will be of no less historic significance and will give the fellow countrymen no less joy and happiness than the publication of the July 4 North-South joint statement 19 years ago.

He stressed, among other things, the "North-South nonaggression declaration" will be the first declaration since the country's division of both sides' common desire for peace and their will for its realization to the nation and to the world.

If the South side finds it difficult to accept the separate adoption of the declaration on nonaggression and the

document on reconciliation cooperation and interchange between the North and the South, they may be adopted as one document, he noted, and put forward the draft document "declaration on nonaggression, reconciliation, cooperation and exchange between North and South" as such. Saying that the draft agreements proposed by our side this time reflect our sincere desire to iron out the difficulties without fail through concession and compromise and make a breakthrough in the high-level talks, Yon Hyong-muk expressed the hope that those agreements would be easily adopted.

South 'Chief Delegate' Cited

*SK2310105091 Pyongyang KCNA in English
1016 GMT 23 Oct 91*

[Text] Pyongyang October 23 (KCNA)—The first-day session of the fourth round of the North-South high-level talks was held at the People's Palace of Culture today.

At 10 a.m. premier of the Administration Council of the DPRK Yon Hyong-muk, who is heading the North's delegation to the talks, delegates and suite members, and "Prime Minister" Chong Won-sik who is the chief delegate of the South side, and other delegates and suite members entered the conference room.

Premier Yon Hyong-muk, head of our side's delegation, made a keynote speech first at the talks.

Then a keynote speech was made by the chief delegate of the South side.

He said that the South and the North have been placed in the relationship of "coexistence and coprosperity" like between countries by entering the United Nations.

Covering up the intention to fix South-North relations as they are and prolong division with the words of "peace and unification", he contended that the "South and the North should begin with the work of building the order of coexistence and coprosperity by institutionalizing peace and developing the relations of exchange and cooperation".

He repeated the old assertion that "the South and the North should make concrete and practical efforts to turn the truce system into a peace system, promote a practical arms reduction on the basis of military confidence building and open up the way of free exchange of people, materials and information".

Saying he would like to make the view of his side clearer, he dealt with the "question of peace" first.

Arguing that "the system of the other side must be respected and confidence be built" for peace, he stated that the short cut to "confidence building" between the South and the North is "exchange and cooperation".

Abusing us for "refusing nuclear inspection", he did not utter a word about the more than 1,000 pieces of U.S. nuclear weapons deployed in South Korea.

Next he said that the South and the North "should open the free way of exchange of people, materials and information" first of all in order to "restore national community."

Insisting on a national community with "one nation, one state, one system and one government", he revealed the view that one side should force its idea and system upon the other.

However, he said his side "has no intention to unify the country by absorption".

He said that his side's "unification policy" is clearly outlined in the "Korean national community unification formula" that is run through with the divisive content seeking "unification by prevailing over communism".

Next, he touched upon the questions of removing the political and military confrontation and realising exchange and cooperation between the North and the South.

Stating that his side, taking the North side's position into consideration, worked out a "single agreement" by incorporating the "basic agreement on the improvement of North-South relations", "agreement on nonaggression" and "agreement on travel, communication and trade" into it, he put forward the "agreement on reconciliation, nonaggression, exchange and cooperation (draft)".

Though he urged in this "agreement" "building of military confidence and phased disarmament", he did not utter a word in it about the withdrawal of the nuclear weapons and troops of the United States from South Korea.

Closing the session, Premier Yon Hyong-muk proposed time and again to have a working-level contact from this afternoon and finalize the text of the agreement so that the premiers could sign it at the second-day session, since the sides reached an identity of views on making a single document of agreement.

The South side, however, said it needed time to study the proposal because there were differences in the drafts of agreements proposed by the sides.

An Pyong-su, the spokesman of the North side's delegation, gave a news briefing after the talks.

The talks will continue on October 24.

Responsibility for Success on South

*SK2310050691 Pyongyang KCNA in English
0428 GMT 23 Oct 91*

[Text] Pyongyang October 23 (KCNA)—If the South side sincerely values the North-South high-level talks and wants to lead them to success, it should give up the old view of confrontation and illusion about "amalgamation by absorption" and come to the place of talks with

a stand and stance for reunification, stresses MINJU CHOSON in a by-lined commentary today.

It is entirely owing to the unreasonable standpoint of the South side that the three rounds of the talks yielded no fruit, the paper says, and goes on:

Our side has so far maintained a patriotic stand to consult and settle the question of non-aggression, a political and military matter, before anything else, giving priority to it, and solve the question of exchange and cooperation and humanitarian matter in parallel, whereas the South side has stuck to an anti-reunification stand to make "two Koreas" publicly recognized with the adoption of a "basic agreement" oriented toward division and effect limited human and material exchange. To insist on exchange only, avoiding the settlement of the military matter in the specific reality of our country which is exposed to potential danger of war is, in fact, little different from wanting neither peace nor normal travel and exchange.

If the North-South high-level talks continue in a state of stagnancy as in the past, it will bring disappointment to the people at home and abroad and produce such a grave consequence as casting a damp over the fellow countrymen's desire for reunification.

As shown by the second pan-national rally held on August 15, the desire for reunification is unprecedentedly growing among the people of all strata in the North, the South and overseas and all the fellow countrymen are powerfully knocking at the door of reunification.

That is why the fellow countrymen's expectation for the talks is very great. The people in the North and the South hope that the talks under way will smoothly solve the questions raised as early as possible and make a new breakthrough toward the peace and peaceful reunification of the country.

The North-South high-level talks should live up to this expectation of the nation without fail.

Prospect for the fourth North-South high-level talks depends entirely on the standpoint and stance of the South side toward the talks.

U.S. Weapons Withdrawal Called 'Welcome Step'

*SK2310105591 Pyongyang KCNA in English
1009 GMT 23 Oct 91*

["A Welcome Step"—KCNA headline]

[Text] Pyongyang October 23 (KCNA)—The United States will withdraw all its nuclear weapons including air-dropping nuclear bombs from South Korea, according to WASHINGTON POST.

If it is true, this step of the United States is a welcome step for the denuclearization and peace of the Korean peninsula.

As already reported, the Democratic People's Republic of Korea, in statements of a Foreign Ministry spokesman released on September 28 and October 6, hailed the tactical nuclear arms reduction measures made public by the United States and the Soviet Union and demanded that the United States withdraw its nuclear weapons completely and totally, not partially, from the ground, sea and air of the Korean peninsula fraught with the greatest danger of a nuclear war.

If the United States carries into effect its step to withdraw all its nuclear weapons including air-delivered nuclear bombs, the most dangerous hotbed of a nuclear war will be removed on the globe and it will be very favourable to peace and security not only on the Korean peninsula but also in Asia and the rest of the world.

If the United States has the willingness to truly implement what it promised, it is better of the U.S. authorities to officially announce it, not only through the press.

Now that the United States said it would withdraw all its nuclear weapons from South Korea and the Soviet Union also made public nuclear arms reduction steps, if the North and the South of Korea agree to and declare the denuclearization of the Korean peninsula as the DPRK proposed on July 30, the United States and other nuclear nations around the peninsula will find no impediment in guaranteeing its non-nuclear status by law. The United States must immediately carry into effect its step to completely withdraw its nuclear weapons from South Korea.

Kim Il-song Receives PRC Trade Delegation

*SK2310105291 Pyongyang KCNA in English
1014 GMT 23 Oct 91*

[Text] Pyongyang October 23 (KCNA)—The great leader President Kim Il-song today received a delegation of the China International Trust and Investment Corporation headed by Deng Zhifang, vice-president of the technology incorporation of the corporation [as received], on a visit to Korea.

Present there were Vice-Premier Kim Tal-hyon, Vice-Minister of Foreign Affairs Cha Pong-chu and Director of the General Bureau of Osandok Yi Il-man.

Charge d'affaires Ad Interim of the Chinese Embassy here Chiang Zhengcai was also present.

President Kim Il-song had a conversation with the guests in a warm and friendly atmosphere.

The guests presented him with a gift.

President Kim Il-song gave a luncheon for the delegation.

Three PRC Delegations Arrive in Pyongyang*SK2110112791 Pyongyang KCNA in English
1050 GMT 21 Oct 91*

[Text] Pyongyang October 21 (KCNA)—A delegation of the International Liaison Department of the C.C. [Central Committee], the Communist Party of China led by its Deputy Secretary General Huan Guoying, a delegation of the Jiangsu provincial committee of the CPC, led by its Secretary Shen Daren and a delegation of the Chinese Foreign Languages Press Publishing Bureau, led by its director Lin Wusun, arrived here today.

Pak Song-chol Meets Austrian, Mongolian Guests*SK1810154591 Pyongyang KCNA in English
1523 GMT 18 Oct 91*

[Text] Pyongyang October 18 (KCNA)—Vice-President Pak Song-chol met and had a friendly conversation with the delegation of the patent office of Austria, led by its president Otmar Rafeiner, at the Mansudae Assembly Hall today.

Present there was President of the Grand People's Study House Chon Chu-nam.

Pak Song-chol also met today Secretary General of the Union of Mongolian Journalists Bumtsendiin Erdene [spelling as received] and his party and conversed with them in a friendly atmosphere.

First Vice-Chairman of the Central Committee of the Korean Journalists Union Choe Yong-sam was on hand.

O Chin-u Meets Ugandan Military Delegation*SK1910112491 Pyongyang KCNA in English
1047 GMT 19 Oct 91*

[Text] Pyongyang October 19 (KCNA)—O Chin-u, minister of People's Armed Forces, met and had a friendly conversation Friday with the Ugandan military delegation headed by Chief of Staff of the National Resistance Army of Uganda Brigadier Samuel James Nanyumba.

Present there was Colonel General Chon Chae-son of the Korean People's Army.

Three Revolutions Praised as Revolutionary Guide*SK2210105991 Pyongyang KCNA in English
1020 GMT 22 Oct 91*

["Three Revolutions Are Mighty Motive Force To Accomplish Cause of People-Centred Socialism"—KCNA headline]

[Text] Pyongyang October 22 (KCNA)—Socialism in Korea is constantly making a long drive, demonstrating to the full its inexhaustible vitality. This is because the line of three revolutions, ideological, technical and cultural, clearly indicates its way.

NODONG SINMUN says this in a lengthy by-lined article today.

Our party's line of three revolutions, it notes, is a banner of creation and changes which has developed a new history of miracles and changes of the century on this prospering land and an ever-victorious weapon which makes it possible to carry the cause of socialism to accomplishment in whatever storms.

The indication of the line of three revolutions was a historical event which effected a new turn in the development of the revolutionary theory of communism.

The dear leader Comrade Kim Chong-il said: "The line of three revolutions, ideological, technical and cultural, is a most correct line which firmly guarantees the development and accomplishment of socialism."

The great leader Comrade Kim Il-song founded the immortal *chuche* idea in his early years and put forward the unique line of three revolutions on this basis and thus successfully solved the question of the line of building socialism and communism. This is his distinguished contribution to the development of the theory of socialism and communism and the accomplishment of the cause of independence of mankind.

The three revolutions are noble ones the final goal of which is to fully realise the age-old desire of the working masses.

The three revolutions are gigantic revolutions unparalleled not only in their goals but also in their scale and scope.

The three revolutions are a struggle which is waged in the whole spheres of the transformation of nature, society and man and an all-people cause which all the participants in socialist construction, irrespective of class and stratum, accept as a vital requisite and fulfil. When the line of three revolutions is implemented thoroughly, there is no room in any realm and domain of social life for the legacies restricting the independence of the people.

The three revolutions continue uninterruptedly in the whole period of building socialism and communism.

In the future communist society the people's struggle to abandon what is old and create what is new in the ideological, technical and cultural domains continues and society develops constantly through this struggle.

The indication of the line of three revolutions by the respected leader Comrade Kim Il-song is a unique discovery which was the first to formulate the new mode of revolution in the revolutionary theory of communism.

The indication of the line of three revolutions and the discovery of the revolution of new mode provided a firm guarantee for successfully solving the question of continued revolution in socialism.

The line of three revolutions premises that the revolution does not end with the establishment of socialist system and sets it forth as the basic content of the revolution which must be carried out after the establishment of the socialist system and as the task of the continued revolution which must be carried out till the building of communism to clear away the legacies of old society and constantly create what is new in the domains of ideology, technique and culture. The proposition that communism is the people's power plus the three revolutions put forward by the great leader Comrade Kim Il-song is a brilliant example showing how creatively the revolutionary theory of the working class should be developed in conformity with the requirements of the developing times and new circumstances.

When the banner of three revolutions is tightly held, the people can triumphantly advance and accomplish the cause of socialism and communism in whatever storms.

The article notes that the line of three revolutions is also a powerful weapon which helped build the people-centred socialism of our style.

It continues:

The validity and great role of change of the line of three revolutions have been demonstrated unreservedly in the worthy struggle to build the superior people-centred socialism of our style.

The line has been firmly maintained and successfully implemented in each period and in each stage of our people's struggle for socialism, thus bringing the great reality of most solid and superior socialism of our style as we see it today.

The line has played a great role in making the entire people the master of ideology, technique and culture and brought a great victory and success in the struggle to definitely achieve the singlehearted unity of the leader, the party and the people and accomplish the complete victory of socialism.

The line of three revolutions is being firmly defended and implemented under the leadership of our party.

Today our party, with a firm determination to more actively make the three revolutions, ideological, technical and cultural, on the basis of the victories and successes which have been already won and achieved, is powerfully accelerating them on a new, higher stage. Thus, unprecedented successes are being achieved in the efforts to transform ideology, technology and culture as demanded by *chuche* and the brightest future is spread before socialism of our style.

Supung, Haeju Universities Celebrate Founding

SK2010135891 Pyongyang Korean Central
Broadcasting Network in Korean 1300 GMT 13 Oct 91

[Text] A commemorative report meeting was held to mark the 30th anniversary of the founding of Supung

University of Industry and Haeju University of Industry. The relevant functionaries and the faculty and students of other universities participated in the meeting.

A congratulatory message from the Central Committee of the Workers Party of Korea [WPK] to the faculty and students of Supung University of Industry and Haeju University of Industry was delivered at the meeting, and the participants warmly applauded it. The message says that, on the occasion of the 30th anniversary of the universities' founding, the WPK Central Committee congratulates the faculty and students of the universities on their great success in fostering technical personnel under the party's *chuche*-oriented educational policy.

The message also says: Over the past 30 years since their founding, these universities, under the wise leadership of the party and the leader, have excellently fulfilled their obligations while travelling along a rewarding road of improving education and researching science. The universities, in upholding theses on socialist education, have fostered quite a few able technical personnel among the working class by vigorously advancing the work of improving education in conformity with the basic principle of socialist education and the character of the educational organizations for the worker-students. They have thus contributed to increasing production and to developing technology in the major plants and enterprises by actively conducting scientific research. While overcoming difficulties and obstacles, in addition, the faculty and students of Supung University of Industry have maintained the educational facilities by themselves and have prepared modern experimental and practical facilities. As a result, they have achieved great success in strengthening their material and technological foundation.

The message continues: While carrying out the instructional and educational work assigned them in a responsible manner, the faculty of Haeju University of Industry have studied and developed valuable technologies by vigorously fulfilling the work of researching science. As a result, they have contributed to putting the national economy on a *chuche*-oriented, modern, and scientific basis. The universities, through a practical struggle of implementing the party's *chuche*-oriented educational policy, have been strengthened and developed into the country's reliable training center of technical personnel with the party's firm monolithic ideological system and with a modern appearance.

The message highly praises the faculty and students of Supung University of Industry and Haeju University of Industry. It says that they have attained great success in the work of fostering technical personnel by displaying loyalty and patriotic devotion to the party and revolution in the past. It also says that they have positively contributed to enhancing the vitality of the educational system for the worker-students. The message emphasizes that they, in upholding the party's leadership, are expected to excellently live up to the party's confidence

and expectation in the future, too, by attaining a great success in fulfilling the revolutionary task assigned them.

Reports were made in the meeting. Those who made reports said: The great leader Comrade Kim Il-song presented the educational ideology and policy of studying while working and had the major plants and enterprises build university-level factory colleges in their sites. In addition, the dear leader Comrade Kim Chong-il led the factory colleges to resolve the scientific and technological problems in production and to positively contribute to intellectualizing the whole society.

Those who participated in the meeting extended the greatest honor and the warmest thanks to the great leader Comrade Kim Il-song and dear leader Comrade Kim Chong-il with single-minded loyalty and said: Today, the universities face the tasks of effecting a new upsurge in the work of fostering technical personnel. The universities should further strengthen the political and ideological education in conformity with socialist education's basic mission and duty. In addition, they, in basing the contents of teaching on the party policy, should make all faculty and students become *chuche*-type communist revolutionaries who are very loyal to the party and the leader and cherish a firm confidence in the *chuche* idea. The faculty of the universities should further raise their scientific qualifications and gear the teaching of all subjects to the reality of production. As a result, they should make students acquire a deep and useful working knowledge. On the other hand, the students, in upholding the party's study-is-of-paramount-importance policy, should work hard to be the able-technical and manageable functionaries who can contribute to developing the country's economy, science, and technology.

A pledge letter was adopted at the meeting.

Mining Equipment Production Capacity Increased

*SK2210153791 Pyongyang KCNA in English
1509 GMT 22 Oct 91*

[Text] Pyongyang October 22 (KCNA)—Brisk work is on in Korea to increase the mining equipment production capacity.

In the past decade, ten odd new mining equipment production bases have made their appearance to boost the production capacity more than 50 percent.

A high-speed tunnelling machine workshop and a tool shop occupying 3,600 square metres took shape at the August 9 factory, considerably lifting the output of equipment.

A hydraulic puncheon shop of the east Pyongyang machine plant, a sheet metal processing shop and a hydraulic jig shop of the Pyongyang coal mining machine plant, a general coal-cutting equipment shop of the Changsan electric appliances factory and a coal-cutter shop of the May 10 general plant were built to

create the capacity of supplying in time equipment needed for coal and ore production.

In this period, more than 20 kinds of up-to-date mining equipment were developed.

The mining equipment production workers are energetically conducting technical innovation campaign to manufacture 40 odd kinds of new mining equipment in the near future.

KCNA Reviews 21 Oct NODONG SINMUN

*SK2110114091 Pyongyang KCNA in English
0958 GMT 21 Oct 91*

[Review of NODONG SINMUN]

[Text] Pyongyang October 21 (KCNA)—NODONG SINMUN today carries a message of condolence sent by the great leader President Kim Il-song to Han Tok-su, chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), on the death of Yi Mal-sang, vice-chairman of the Chongnyon Central Standing Committee and chairman of the Osaka prefectural headquarters of Chongnyon.

Given in the paper is an obituary of Yi Mal-sang released by the Central Committee of the Democratic Front for the Reunification of the Fatherland.

The paper prints messages of greetings to Comrade Kim Il-song, general secretary of the Central Committee [C.C.] of the Workers' Party of Korea [WPK], sent by general secretaries of foreign parties on the occasion of the 46th birthday of the WPK.

Foreign media gave wide publicity to the China visit of President Kim Il-song, reports the paper.

Pressmen of Japan praised President Kim Il-song as the great hero of the nation, says the paper.

Works of the dear leader Comrade Kim Chong-il were deeply studied and disseminated abroad, according to the paper.

The paper carries poems "The Tower of the Chuche Idea" and "Seventh Visit to Korea" written by the chairman of the Sakaiminato Japan-DPRK Friendship Association of Tottori Prefecture, Japan.

The economic news columns of the paper include a report that the construction of the east Pyongyang thermal power plant is progressing apace.

The paper reports that the Pochonbo Light Music Troupe returned home after successfully concluding its performance tour of Japan from September 13 and Japanese papers introduced the troupe.

It informs the readers that the DPRK national soccer team defeated the U.S. national soccer team 2-1 in Washington.

The paper gives an account of the third meeting of the board of directors of the African Regional Committee for the Study of the Chuche idea held in Conakry and carries a statement welcoming the DPRK's admission to the United Nations and supporting the Korean people's struggle for the independent and peaceful reunification of the country which was adopted at the meeting.

Given in the paper is an account of celebrations of the 10th anniversary of the formation of the literati and artiste branch of the Ghanaian National Institute of the Chuche Idea.

Printed in the paper is a statement issued to the press by Yi Song-ho, vice-chairman of the Korean National Peace Committee, urging the United States to withdraw its troops and nuclear weapons from South Korea completely, not partially.

Included in the South Korean news columns of the paper is a report that the members of South Korea's joint measure committee for nuclear disarmament vowed to have nuclear disarmament realised and check the signing of the "Wartime Host Nations Support Agreement".

The U.S. imperialists and the South Korean puppets ceaselessly staged military exercises and aerial espionage against the North, reports the paper.

In an article the paper stresses that the "basic agreement for the improvement of North-South relations" the South Korean authorities have proposed is a treacherous document aimed at the permanent division of the country and that they should take a sincere stand and position in the discussion of the fundamental questions for peace and reunification of the country, instead of laying obstacles to North-South high-level talks with such document.

The paper informs the readers that representatives of various social strata in Tokyo metropolis conducted activities requesting the early normalization of diplomatic relations between Japan and Korea, the general secretary of the C.C., the Progressive Party of the Working People of Cyprus said socialism is a noble idea giving the people the true meaning of the life, the general secretary of the Sandinist National Liberation Front expressed solidarity with Cuba and the chairman of the Executive Committee of the Palestine Liberation Organization called for the convocation of a meeting of the Arab leaders.

It introduces achievements of the Vietnamese working people in socialist economic construction.

The ASEAN nations are supporting and cooperating with each other for coprosperity and development, says NODONG SINMUN.

South Korea

Prime Ministers' Meeting Continues in Pyongyang

Further on 22 Oct Banquet

SK2310031591 Seoul YONHAP in English 0118 GMT
23 Oct 91

[Text] Pyongyang, Oct. 23 (YONHAP)—Delegates and journalists exchanged views on a variety of issues concerning inter-Korean relations during a dinner given by North Korean Prime Minister Yon Hyong-muk on Tuesday evening.

Hong Chang-sik, editorial writer for the TONGIL SHINBO, said he preferred a solution to political and military problems as the North's enormous military budget had made life difficult for the North Korean people.

"If we reduce military expenditures, both North and South Korea will lead better lives," the North Korean said.

The North Koreans expressed an interest in the South Korean media's coverage of the collapse of communism in Eastern Europe and cautioned against Korea's "unification through absorption."

The 255 dinner guests at Mongnanguan Banquet Hall included North Korean entertainers and cultural figures. The atmosphere brightened when the 13-member Wangjaesan orchestra began to play at 8:25, one and a half hours after the dinner began.

Folk songs and dances were performed as the orchestra played, encouraged by applause from South and North Koreans alike. Prime Ministers Chong Won-sik and Yon Hyong-muk went up on the stage to encourage the orchestra.

When Chong remarked that the women were beautiful, Yon riposted: "All North Korean women are beauties."

Among the dinner guests were senior North Korean journalists and members of the Committee for the Peaceful Reunification of the Fatherland. Committee official Chong Myong-sun asked Southern reporters about the prospects for adoption of a nonaggression declaration in the talks Wednesday.

—The South Korean journalists and support staff were shown the People's Palace of Culture, the venue of the talks, by liaison officer Choe Pong-chun Tuesday.

As the journalists toured the main conference room and checked the phones in the press room, Choe promised to keep North Korean guides out.

The press room is equipped with one television monitor, open lines to Seoul and their hotel, and audio recording devices for broadcast journalists.

Ministers Present Proposals 23 Oct

SK2310041891 Seoul YONHAP in English 0403 GMT
23 Oct 91

[Text] Pyongyang, Oct. 23 (YONHAP)—South Korea presented North Korea with a comprehensive agreement on reconciliation, nonaggression, exchanges and cooperation between them Wednesday that incorporated the South's previous proposals and North's nonaggression declaration.

North Korea answered this with a new proposal on declaring the Korean peninsula a nuclear-free zone, darkening the prospects for progress in the fourth round of the inter-Korean high-level talks that opened here Wednesday morning. The two sides failed to reach agreement in previous talks.

The South's 15-point draft agreement, proposed by South Korean Prime Minister Chong Won-sik in a keynote speech, calls for the reciprocal opening of news outlets, exchange, reunion of members of separated families, replacement of the armistice agreement by a peace regime and the establishment of resident liaison missions in Seoul and Pyongyang.

Chong proposed that the two sides take seven steps to ensure cessation of the arms race and enforcement of nonaggression.

"Both parties shall not use armed force against each other and shall not attempt in any manner to invade, overthrow or destroy the other," Article 4 of the proposed agreement said.

"The areas of both parties subject to nonaggression shall be those which have been under the jurisdiction of each side respectively in accordance with the military armistice agreement of July 23, 1953."

The seven steps include exchange of military information and mutual visits, prior notification of all maneuvers or movements by military units of a certain size or larger, and installation of a telephone hotline between the military authorities of the two sides.

Chong also proposed a South-North joint military committee be set up within six months of the effective date of the agreement to enforce the proposed steps.

He suggested that the two sides establish resident liaison missions in Seoul and Pyongyang in the same time period to help improve South-North relations and consolidate the foundations for peace and unification through close consultation and liaison.

He proposed the establishment of an inter-Korean political and military subcommittee and of an inter-Korean exchanges and cooperation subcommittee within a month to discuss and work out concrete steps to enforce and ensure observance of the proposed agreement.

The proposal said the agreement should not influence bilateral or multilateral treaties or agreements that each side has already concluded.

Before making the proposal, Chong urged North Korea to discontinue its nuclear arms development and unconditionally accept international nuclear inspections.

"Your nuclear arms development is not only newly heightening inter-Korean tension but poses a grave threat to peace in Northeast Asia in particular and in the world in general," he said.

In his keynote speech, North Korean Premier Yon proposed that the two sides declare a prohibition on testing, production, introduction, possession and use of nuclear weapons.

Deployment of nuclear weapons and the landing or calling of nuclear weapons-carrying planes and ships on the Korean peninsula and passage of aircraft and ships over Korean territory should be banned, he said.

Yon's nine-point proposal also calls for a prohibition on the storage of nuclear warheads and the conclusion of treaties for nuclear protection.

South and North Korea should be subject to simultaneous nuclear inspection to confirm the closure of the nuclear bases in the South and the withdrawal of U.S. nuclear weapons from South Korea, he said.

North Korea would accept simultaneous nuclear inspection of South and North Korea whenever full withdrawal of U.S. nuclear weapons from the South was confirmed, Yon said.

He also presented a 21-point declaration on North-South nonaggression, reconciliation, cooperation and exchange.

He proposed formation of two subcommittees, on political and cooperation, and on exchange, within two months of the agreement being adopted.

Yon urged the South to suspend the annual "Team Spirit" South Korea-U.S. joint military drill, abolish the National Security Law and guarantee the safe return to Seoul of South Korean students who visited Pyongyang in defiance of a government ban.

Further on 23 Oct Talks

SK2310054191 Seoul YONHAP in English 0314 GMT
23 Oct 91

[Text] Pyongyang, Oct. 23 (YONHAP)—Following are excerpts from the conversations between South Korean Prime Minister Chong Won-sik and his North Korean counterpart, Yon Hyon-muk as they began the fourth prime ministers' conference here Wednesday:

Yon: Did you sleep well last night?... It's quiet and air is clear at the guest house. Clean air is important for your health.

Chong: Air pollution is a big problem for every city. Though the guest house is near the city, air is clear and the promenade was good. I enjoyed a (morning) walk... I also enjoyed last night's banquet, especially ballet was good. I've heard that your acrobatic team is world famous and thought it would be wonderful if it could perform in Seoul. We are holding a world trade exposition in Taejon in 1993 and some 10 million people are expected to attend. There would be a great response if your acrobatic team could perform there.

Yon: If we can reach agreements at this meeting, there won't be any problem for the performance of art groups. The question of cultural exchanges which the South is interested will also be solved. According to this morning's press reports, they said the Southern prime minister is putting a priority on South-North exchanges while the Northern prime minister is giving his priority on basic problems. Let's work out something since the South is interested in exchanges very much.

Chong: The news media judged (it) in their own way. But we are also interested in unification (of the country) and will try to solve the basic problems.

Yon: Let's work with one mind and one purpose.

Yon: We have wasted a whole year since we could not achieve anything in the previous three meetings. Let's not prolong the division of our country for half a century. Let's make 1995 the first year of unification of our people.

Chong: It pains me to realize we could not achieve anything in the first three conferences. Let's start the conference with a new frame of mind.

—The foreign reporters group, about 20 in number, was rather small compared to more than 100 journalists from South and North Korea. A Soviet correspondent in Pyongyang said the group is exceptionally small at this talks compared to the second talks here a year ago.

When asked why, he guessed that the foreign reporters were pessimistic about the outcome of the negotiations since North Korea was very cool to most of the South Korean proposals.

First spark of the nerves between the South and North Korean delegations was when they should distribute the texts of the keynote speeches.

They solved it by releasing them simultaneously when North Korean Prime Minister Yon Hyong-muk began his speech around 10:20 a.m.

—The large presence of North Korean reporters covering the event was obviously not reflected in print.

Wednesday's edition of NODONG SINMUN, the ruling party newspaper, wrapped up the news in two paragraphs saying the South Korean delegates arrived in Pyongyang and what they said in their arrival statement.

The paper was extremely brief in introducing the visiting delegates, mentioning only "Prime Minister Chong Won-sik" while listing all of the North Korean delegates.

Spokesmen Report on Talks

SK2310092691 Seoul YONHAP in English 0841 GMT
23 Oct 91

[Text] Pyongyang, Oct. 23 (YONHAP)—North and South Korea agreed to integrate their arguments on reconciliation, non-aggression, exchanges and cooperation into a single agreement in talks between their prime ministers Wednesday.

"It is epochal and progressive that the two sides decided to produce a single agreement. It means a big stride," Yi Tong-pok, spokesman for the South Korean delegation, said on emerging from the session.

Conference sources said, however, there remained a long way to go before the sides worked out what to include in the agreement and put the items in order.

The North proposed a working-level meeting in the afternoon to discuss adopting a single agreement, but the South suggested the discussions be held before the fifth round of prime ministers' talks.

The prime ministers will hold a closed-door session Thursday morning.

Earlier in the day, South Korean Prime Minister Chong Won-sik proposed an agreement on reconciliation, non-aggression, and exchange and cooperation.

North Korean Prime Minister Yon Hyong-muk countered with a proposal that the two sides adopt a declaration on making the Korean peninsula a nuclear free zone and a declaration on non-aggression, reconciliation, and cooperation and exchange.

Emerging from the conference, An Pyong-su, spokesman for the Northern delegation, told reporters that the failure to adopt a declaration on a nuclear free Korea did not mean there would be no declaration on non-aggression, and exchange and cooperation.

South Korea had suggested European-style confidence-building measures as a guarantee of non-aggression, but his government had opted for arms reduction, An said.

"South Korea argues for exchange of military information as a guarantee, and we think we can do that. However, how can the South talk about exchange of military information while it has nuclear arms? What's the use of prior notice of military drills? Military drills should be restricted and should be stopped. If the two sides delay arms reduction, they will never catch up with the current political situation," he said.

Yi Tong-pok said South Korea had never planned or prepared for German-style reunification.

"Our scholars also say that the German-style reunification formula does not suit our reality... Our reunification formula based on a Korean community does not have the idea of reunification led by the South," Yi said.

"When will the U.S. forces and nuclear arms withdraw from South Korea?" a reporter asked.

"There are 43 million people in the South. According to a recent poll, 26.5 percent of the people believe the U.S. forces should remain until the time of reunification and 37.4 percent of the people think it is too premature to withdraw the American troops," Yi said.

Further on Press Briefings

SK2310095291 Seoul YONHAP in English 0919 GMT
23 Oct 91

[Text] Pyongyang, Oct. 23 (YONHAP)—Spokesmen for the South and North Korean delegations to the 4th prime ministers' conference met with Korean and foreign reporters to answer questions on Wednesday's keynote speeches of the prime ministers.

North Korean reporters showered South Korean spokesman Yi Tong-pok with argumentative questions on the nuclear question and the so-called German-style unification formula in which one side absorbs the other.

A reporter from the NODONG SINMUN, in particular, held a question-and-answer type of discussions with Yi for such a long time some of the reporters from the South had to cut in to stop him.

North Korean spokesman An Pyong-su blamed the joint South Korea-U.S. military exercise codenamed "Team Spirit," and a few cases of cholera that struck South Korean towns this summer when South Korean reporters asked him what has forced the interruption of the prime ministers' conference more than a year.

Asked if North Korea intends to link the premiers' conference with its demand for a nuclear-free Korean peninsula, An indicated there would not be such a linkage by replying that North Korea plans to promote military and economic cooperation with the South regardless of the outcome of the talks.

He also said North Korean leader Kim Il-song's visit to China has nothing to do with the conference. He also said the changes in the Soviet Union will have no effect on the prime ministers' talks.

Regarding the entry into the United Nations this fall by both Koreas, he said the most positive aspect for this conference stems from that fact, stressing the fact that the prime ministers' meeting takes place for the first since Koreas became U.N. members.

—The press conference given by South Korea was attended by some 150 persons including reporters from both sides, members of the North Korean delegation and working officials of the conference. A small

room (8 pyong) was packed with people with some of them standing in the hallway.

The spectators included North Korean People's Army Colonel O Min-se in full uniform. Asked why he had to attend a press conference, he replied, "I had to come to understand how reporters from the South analyze (today's) developments at the press conference."

Ten foreign reporters stationed in North Korea including a reporter from ZDF TV of Germany also attended the press conference.

—The first meeting between the South and North Korean prime ministers lasted for two hours.

It started at 10:10 a.m. with Prime Minister Yon Hyong-muk of the North giving an 80-minute keynote speech, after which Prime Minister Chong Won-sik of the South gave his speech. The proceedings were viewed live on closed-circuit television by reporters.

Two senior delegates agreed that the high-level talks had meaning in that the agenda was united, but then everyone began arguing about working-level contacts proposed by the North.

They failed to reach agreement as the North insisted that contact start right after the meeting and the South said it should wait for a review of proposed details by each side.

As Chong finished his speech, Yon said: "Studying the proposals by both, I can safely say that we agreed to the one item on the agenda. Let's have working-level contacts after this to draw the checks."

An Pyong-su added: "The detailed items suggested by both sides are not new but being discussed all the time. We'd better have contacts this afternoon to reap fruits of the talks."

Chong responded: "I agreed to your proposal of having working-level contacts in principle but it will be right that you give us some time to review the articles because some of your detailed proposals are different from the past ones."

Chong said the date would be decided later and Yon replied, "as you like."

Chong Won-sik Visits Film Studio

SK2310135291 Seoul YONHAP in English 1325 GMT
23 Oct 91

[Text] Pyongyang, Oct. 23 (YONHAP)—South Korean Prime Minister Chong Won-sik and other delegates to the inter-Korean high-level talks visited the North Korean film studio shortly after the first session of the talks Wednesday.

Director Paek Min told Chong that President Kim Il-song himself selected the studio's site on Mt. Hyongje in 1947.

Chong came across senior actress Mun Ye-pong, 79, in the set that looked like Japanese streets. Mun was filming "Destiny of the People."

Chong greeted Mun by saying "You are still very active," and Mun responded: "I have a lifelong wish. That is dancing with the Southern brethren in the plaza of reunification with our great leader, and beloved leader Kim Chong-il."

When Chong said "I came here for reunification," Mun retorted: No, I don't think so. In the South, students were beaten by hammers and Im Su-kyong was imprisoned. The defense minister or somebody said commandoes would hit the North..."

Chong said "they were prisoned because they violated the law...Why don't you ask Prime Minister Yon to advance reunification?"

Mun further tried to argue, but a North Korean guide intervened, saying, "Mr. Prime Minister Chong wants to greet you. Why don't you accept his greeting?"

The North Koreans did not invite the Southern guests to a set showing university campuses in Seoul. After looking around the studio, Chong shook hands with such film stars as Hong Yong-hi, Kim Yong-min and Kim Chong-hwa, and presented Paek with a replica of the golden crown of Silla kings.

Chong and his company later viewed singing and dancing performances at Mansudae art studio for about 80 minutes. The repertoire was focused on praising socialism. When Soprano Cho Hye-kyong sang "Oh, Unification, Unification," the hall resounded with enthusiastic applause.

Seoul Urged To Exercise 'Nuclear Sovereignty'

SK2310062291 Seoul HANGYORE SINMUN
in Korean 15 Oct 91 P2

[Editorial: "Discords on Nuclear Weapons on Korean Peninsula and Recovery of Nuclear Sovereignty: We Should Ponder the Nation's Destiny"]

[Text] The WASHINGTON POST reported on 12 October that the United States decided to withdraw land-based nuclear weapons deployed in South Korea and to retain air-delivered tactical nuclear weapons for the time being and that it has already informed the ROK Government of this decision. When President Bush announced his policy of withdrawing short-range tactical nuclear weapons on 27 September he did not mention air-delivered nuclear weapons deployed in regions other than Europe. Accordingly, analysts predicted that air-delivered nuclear weapons deployed on the Korean peninsula would be retained for the time being. The WASHINGTON POST confirmed this prediction.

The government authorities, however, denied the report of the WASHINGTON POST. In light of the fact that North Korea has repeatedly insisted that unless U.S.

nuclear weapons deployed in South Korea are withdrawn it will not allow international nuclear inspection, the issue of U.S. air-delivered tactical nuclear weapons in South Korea will apparently become a heated controversy at home and abroad.

The biggest stumbling block in the issue of nuclear weapons on the Korean peninsula is the global strategy of the United States. Experts conclude that the United States is trying not to diminish its efforts for arms expansion until such time as it can completely make the Soviet Union give in militarily. They also analyze that Bush's declaration for the reduction of nuclear weapons, as well, is aimed at weakening the Soviet Union's intercontinental missiles with nuclear warheads and, thus, at maintaining nuclear superiority over the Soviet Union. This can be proven by the U.S. refusal of Gorbachev's proposal which calls for the withdrawal of air-delivered tactical nuclear weapons, the total suspension of nuclear tests for one year, and the declaration renouncing preemptive nuclear strikes.

However, we should no longer allow the issue of nuclear weapons on the Korean peninsula to be influenced by U.S. global strategy. The issue of sovereignty with regard to the issue of "nuclear weapons on the Korean peninsula" should be discussed. Although the government says that it has taken the initiative in dealing with the issue of relations between the North and the South, including nuclear weapons on the Korean peninsula, reality seems to be different.

According to the interpellations by opposition lawmakers at the National Assembly sessions and according to foreign press reports as well, it has been learned that when President No Tae-u met President Bush twice, last June and September, the ROK Government did not have any prior consultations with the U.S. Government on President Bush's plan for withdrawing land-based nuclear weapons from South Korea and that, instead, our government was informed of only a small part of Bush's plan.

The government must not leave the "nuclear button," which will influence the destiny of the nation, to the government of another country, if it really realizes the dreadful danger of nuclear weapons which are capable of annihilating our nation. Therefore, an opposition lawmaker's remarks at the National Assembly session that "the fact that our government has been unable to exercise its influence on managing short-range tactical nuclear weapons deployed in South Korea shows that it has neither the qualifications nor the ability to shoulder the responsibility for our people's survival and our national dignity and honor" deserves full support from our people.

The "nuclear discord on the Korean peninsula"—which has been created because of U.S. nuclear weapons deployed in South Korea and the danger of North Korea's nuclear development—has been further aggravated by North Korea's insistence on "the withdrawal of

nuclear weapons first and the simultaneous inspections in the North and the South" and by South Korea's demands for "international pressure on North Korea to grant nuclear inspection." Furthermore, there is no sign that this discord will be solved in the near future.

However, the essence of the problem has been more clearly revealed. Now that the "fact" that U.S. nuclear weapons exist in South Korea has been revealed, the unilateral pressure on North Korea to grant international inspections is nothing but the "logic of strength." This "logic of strength" involves a serious danger. Even though international pressure is imposed on North Korea to sign a nuclear safety agreement with the International Atomic Energy Agency and to grant international inspection, if North Korea persistently refuses it, what can our government do next? We cannot rule out the possibility of "a tragic incident" in the history of the nation.

Our government must recover nuclear sovereignty first in dealing with the nuclear issue, which is the starting point of arms control, if the final goal of its policy is to remove nuclear weapons from the Korean peninsula, to make progress in the negotiations with the North for arms control, and, thus, to achieve "peaceful reunification." Our government must exercise its voice over the U.S. nuclear policy related to nuclear weapons deployed in South Korea. The government's exercise of nuclear sovereignty should presuppose the deep self-reflection of the interests and destiny of the nation. The concrete practice of these interests and the destiny of the nation may find expression in "denuclearization of South Korea" and "nuclear-free zone on the Korean peninsula."

Flexibility in U.S. Troop Cuts Urged

SK2310015591 Seoul THE KOREA TIMES in English
23 Oct 91 p 6

[Editorial: "U.S. Troop Cut in Korea"]

[Text] The United States reportedly is planning to withdraw 6,000 more troops from Korea by 1995. Along with its decision to remove the nuclear arsenal supposed to be here, the U.S. military scheme is understandably part of its global defense policy in the post-Cold War era.

The disclosure of the troop cut plan is not surprising as it had been agreed between Seoul and Washington that there be a three-stage phaseout of the 43,000 American servicemen and women here in the South. Under the previous agreement, the U.S. was to pull out 7,000 noncombatants from Korea by early 1993.

In the second phase between 1993 and 1995, the U.S. would withdraw 2,000 troops each year, bringing its military presence here down to the 30,000-man level. The U.S. intention was conveyed to the Korean side at a preliminary meeting to the annual Korea-U.S. Consultative Meeting (SCM) held in Honolulu Oct. 7-9. It is

expected that the two countries will confirm the pullout plan at the forthcoming SCM talks slated for Nov. 20-22 in Seoul.

During and after the third-stage reduction between 1996 and 2000, the U.S. may well maintain an adequate number of troops here, largely depending on the situation on the Korean peninsula determined by North Korean war threats against the South.

However, even the first and second phase reductions schedule may need to be modified according to the North Korean attitude, notably in connection with its attempt to obtain a nuclear weapon capability and its refusal to sign the Nuclear Safeguards Accord. Pyongyang has been brazen enough to announce that it would not sign the nuclear safeguards agreement, even if all U.S. nuclear weapons were removed from the South, unless both South and North Korea undergo simultaneous international inspections of their nuclear facilities.

If the U.S. yields to the Pyongyang demand, it will presumably present new conditions for its acceptance of the nuclear inspection. Pyongyang's immutable policy goal is to effect a total withdrawal of the U.S. troops here in line with its unification strategy. The North Korean leadership has repeatedly betrayed its international pledges to sign the non-nuclear weapon treaty and it is expected to continue to provide excuses at any time in the process of signing the nuclear safeguards treaty and during domestic procedures for ratification and actual international inspections of its nuclear facilities and materials.

The North Korean authorities, of late, have gone so far as to threaten that if the South or the United States takes any military action against its nuclear sites, it will launch a massive retaliatory strike against vital targets in the South, action amounting to the start of an all-out war against Seoul.

The Korean and U.S. governments appear to have reached the consensus that any possible armed provocation or invasion would be effectively coped with by the use of conventional weapons as in the Gulf War.

Yet, it is nonetheless necessary for the Republic of Korea to be protected by the U.S. nuclear umbrella, as long as the North remains adamant on its present nuclear policy. Any denuclearization scheme on the Korean peninsula can be realized only when Pyongyang abandons the plot to secretly produce nuclear weapons.

At the same time, the on-going U.S. troop cut program needs to be flexibly carried out depending on the course of the current inter-Korean premiers' talks and the progress in future dialogue. Above all, the U.S. military disengagement move should not lead Pyongyang to making miscalculations about U.S. willingness to defend the republic.

Seoul To Recognize Sihanouk-Led Cambodian Body
*SK2310014791 Seoul YONHAP in English 0053 GMT
23 Oct 91*

[Text] Seoul, Oct. 23 (OANA-YONHAP)—South Korea is poised to recognize the Supreme National Council (SNC), a grouping of four warring factions headed by former ruler Prince Norodom Sihanouk, as the legitimate government of Cambodia, to seek diplomatic normalization and to lift economic sanctions, Foreign Ministry officials said Wednesday.

The government would make an official announcement soon after the U.N.-sponsored peace treaty for Cambodia was signed in Paris Wednesday, the officials said.

The peace treaty is aimed at ending nearly 13 years of civil war between Prime Minister Hun Sen's Vietnamese-supported government and three guerrilla factions. The United Nations will oversee the cease-fire and military demobilization process.

"The Cambodian question has been the biggest obstacle in improving relations with Vietnam. The settlement of peace treaty in Cambodia will remove the obstacle," one official said, suggesting Korea-Vietnam diplomatic normalization can be expedited.

Korea was likely to seek official ties with Vietnam and Laos before Cambodia, the official said.

The United States had already removed economic sanctions against Cambodia, and Korea would do the same, he said.

Diplomatic Ties Established With Latvia
*SK2310020491 Seoul YONHAP in English 0146 GMT
23 Oct 91*

[Text] Seoul, Oct. 23 (OANA-YONHAP)—South Korea established diplomatic ties Tuesday with Latvia, the last of the three Baltic states to normalize relations with the Asian nation, the Foreign Ministry said Wednesday.

Ambassador-at-large Han Tak-chae signed a protocol on normalization in the Latvian capital of Riga with Foreign Minister Janis Jurkans.

This increases to 153 the countries Seoul has ties with.

Korea recognized the Baltic states on Sept. 6 and formed ties with Lithuania on Oct. 14 and with Estonia on Oct. 17.

Mongolian President Ochirbat Continues Visit

Meets President No Tae-u

*SK2310040891 Seoul YONHAP in English 0240 GMT
23 Oct 91*

[Text] Seoul, Oct. 23 (OANA-YONHAP)—South Korean President No Tae-u and Mongolian President Punsalmaagiyn Ochirbat agreed in talks here Wednesday

to cooperate in efforts to create a new order in Northeast Asia through such means as peaceful Korean unification.

No asked Ochirbat for active support to spur dialogue and exchanges between South and North Korea. Mongolia was a staunch ally of North Korea in the past.

No said he expected Mongolia to play an important role in prompting North Korea to stop nuclear development, which he called "a major threat to security and peace in Northeast Asia as a whole."

Ochirbat said he supported Seoul's efforts for stability and peaceful unification of the Korean peninsula and that Ulaanbaator would make also its best efforts for these.

"South Korea's economic development has set a model for Mongolia," he said.

The Mongolian president called for Korean investment and joint development of oil and other natural resources in his country.

Ochirbat arrived in Seoul on Tuesday and is due to meet with economic and parliamentary leaders and tour industrial complexes during his three-day visit.

Korea established official ties with Mongolia in March 1990, the first with a communist country in Asia.

In a welcoming ceremony at Chongwadae before the summit, No promised full Korean support for democratization and economic development in Mongolia.

Ochirbat said his people supported South Korean efforts to achieve unification in a peaceful way and that he expected Korean admission to the United Nations to prompt the process.

Foreign Ministers Discuss Assistance

*SK2310100691 Seoul YONHAP in English 0930 GMT
23 Oct 91*

[Text] Seoul, Oct. 23 (OANA-YONHAP)—South Korea and Mongolia agreed Wednesday on extensive economic assistance programs ranging from cash and product loans and personnel exchanges.

Mongolian Foreign Minister Tserenpiliyn Gombosuren in a meeting with his South Korean counterpart Yi Sang-ok said his country hopes to follow the South Korean model of economic development.

Yi said his government will form a group of economic advisors for on-site assistance on Mongolian economic projects.

Gombosuren accompanied his President Punsalmaagiyn Ochirbat on a three-day visit here from Tuesday. Seoul and Ulaanbaatar normalized ties in March last year.

Some 170 employees from Mongolia's small- and medium businesses came to Seoul earlier this year for

industrial training, and the program will continue, Yi told the visiting foreign minister.

The foreign ministers agreed that they should soon begin talks on avoidance of double taxation to promote bilateral trade.

South Korea is planning a long-term 10 million U.S. dollar loan under its Economic Development and Cooperation Fund (EDCF).

Aviation Agreement Signed

*SK2310093591 Seoul YONHAP in English 0805 GMT
23 Oct 91*

[Text] Seoul, Oct. 23 (OANA-YONHAP)—South Korea and Mongolia signed agreements Wednesday setting up direct flights and waiving visas for diplomatic and official passports.

The aviation accord recognizes stopovers and beyond rights for airlines of both countries and grants tax favors for plane parts and fuel.

Korea hopes to plug Mongolia into a Seoul-Beijing-Ulaanbaatar-Europe route after Seoul and Beijing sign a direct flight agreement.

The visa accord allows an up to 30-day stay without a visa for diplomatic and official passport holders.

Korean foreign minister Yi Sang-ok and his opposite number from Mongolia, Tserenpiliyn Gombosuren, signed the two accords.

Gombosuren is here on a three-day visit with President Punsalmaagiyn Ochirbat.

Seoul and Ulaanbaatar normalized ties in March last year.

Tuman River Development Committee Established

*SK2210090591 Seoul YONHAP in English 0814 GMT
22 Oct 91*

[Text] Seoul, Oct. 22 (YONHAP)—South and North Korea, China and Mongolia have agreed to create a program management committee on the development of the Tuman River basin before the end of the year and to have the committee conduct an extensive 18-month feasibility study from early 1992, sources at the Economic Planning Board said Tuesday.

The agreement was reached in consultations Oct. 16-18 in Pyongyang attended by delegates from the four countries and by two observers, from the Soviet Union and Japan. Kim In-ho, assistant economic planning minister for international policy coordination, led the South Korean delegation, which is due home Wednesday.

It was also agreed to develop the Tuman delta in two stages: the first centered on the feasibility study, and the second seeking multinational agreements to maximize

trade, investment, communication, exchange of information, and manpower development.

Each participating country will name three delegates to the program management committee, which will have three task forces—on legal and financial systems, economic viability, and technical feasibility.

The committee will hold its first meeting in January to finalize plans for its activities and to consider UNDP [UN Development Program] cooperation in the overall feasibility study.

The committee will meet again in July 1992 and January 1993. In July 1993, high-level officials from the countries concerned will meet to review progress and to set a new course.

The UNDP estimates it will cost 30 billion U.S. dollars to develop the Tuman River delta into an international investment zone over the next 20 years. The feasibility study will cost 12 million dollars.

There are two options in developing the Tuman delta. One is for a small delta zone, a triangular area its points being the North Korean city of Najin, the Chinese city of Hunchun and the Soviet port of Posyet. The other is for a bigger zone linking Chongjin in North Korea, Yanji in China and the Soviet city of Vladivostok.

Possibility is high for the adoption of North Korea's plan to create an "economic trade zone" focused on Najin and Sonbong with the participation of China and the Soviet Union, the sources said.

Container Shipping Volume to PRC Viewed

*SK2210021291 Seoul YONHAP in English 0131 GMT
22 Oct 91*

[Text] Seoul, Oct. 22 (YONHAP)—Containerized cargo on South Korea-China sea routes was 46,000 teus (20-foot equivalent units) last year and 32,000 teus in January-July this year, the Korean Shippers' Association [KSA] said Tuesday.

Last year's figure was up 188 percent from 16,000 teus in 1989 and compares with growth of 19.6 percent on Southeast Asian routes in the same period.

The sharp growth in container use on the Korea-China routes was due to the active performance of Korean-Chinese joint-venture shipping companies, KSA said.

Ten container shipping companies operate on the Korea-China routes, including three Korean-Chinese joint ventures and seven foreign companies.

Sinokor Co., a 50-50 joint venture between Dongnama Shipping Co. and Sinotrans of China, carried 17,000 teus in the seven-month period, more than 50 percent of the total.

Container use on the Korea-China routes will grow further as Coheung Shipping Co., a 50-50 joint venture

between Heunga Shipping Co. and the China Ocean Shipping Co., started a service Aug. 1.

Coheung is sailing one container ship a week from Inchon and Pusan in Korea to Shanghai, Tianjin, Dalian and Qingdao in China.

China's foreign trade volume was 110 billion U.S. dollars last year, making it a target for Korean shipping companies.

Sports, Youth Exchanges Agreed With Vietnam

SK2310013791 Seoul YONHAP in English 0037 GMT 23 Oct 91

[Text] Bangkok, Oct. 22 (OANA-YONHAP)—South Korean Sports and Youth Minister Pak Chol-on and Ta Quang Chien, chairman of the Vietnamese National Olympic Committee, agreed Tuesday in Hanoi to cooperate with each other through sports and youth exchanges.

Pak, who arrived via Ho Chi Minh City early in the morning, told YONHAP News Agency by telephone that Vietnam hoped to have as many sports exchanges as possible with Korea.

Vietnam had asked Korea to enter table tennis, taekwondo and marathon competitions in Ho Chi Minh City next year, Pak said.

Pak said he met with Korean entrepreneurs in Ho Chi Minh City and they asked him to do his best to open diplomatic ties, saying they had many difficulties in building up their business base and company activities in Vietnam due to lack of ties between the two countries.

The Vietnamese Government was so concerned for Pak's safety that it changed his accommodations and flight schedule without notice, an aide said.

North Sticks to Nuclear Signing Stance at UN

SK2310073291 Seoul YONHAP in English 0712 GMT 23 Oct 91

[Text] United Nations, Oct. 22 (OANA-YONHAP)—North Korea told the United Nations on Tuesday it would not sign a nuclear safeguards accord unless all atomic weapons were withdrawn from South Korea.

North Korea had come under fire during two days of extensive discussions by the General Assembly on nuclear inspection.

Twelve out of 23 nations, including South Korea, pinpointed North Korea as one of the countries that must immediately sign a nuclear safeguards accord and open its nuclear-related facilities to outside inspection.

The controversy is apparently not over here as South and North Korea are both scheduled to take the floor next week at the first committee on disarmament.

The debate on nuclear inspection followed submission by the International Atomic Energy Agency (IAEA) of its annual report. The general focus was nuclear non-proliferation, expanding safeguards accord signatories, countering Iraq's nuclear program and the safety of nuclear power plants.

The European Community, Australia, the United States, Poland, Austria, Japan, Romania, New Zealand, Finland, Hungary, Bulgaria and South Korea registered concerns about North Korea's nuclear capability and demanded it open itself up to outside inspection.

South Korean Ambassador No Chang-hui told the Assembly Tuesday of Seoul's "serious concern" about Pyongyang's delay in signing an accord, to which a North Korean delegate replied that signing would not precede complete withdrawal of nuclear weapons from the South.

Pyongyang signed the Nuclear Non-Proliferation Treaty (NPT) in 1985 but has yet to sign a safeguards accord, an obligation to be fulfilled within 18 months of signing the NPT.

It claims threat of nuclear attack against the North remains as long as the United States has nuclear weapons deployed in the South and it demands that the weapons be removed before it signs an accord or allows outside inspection.

Prime Minister Yon Hyong-muk and Vice Foreign Minister Chon In-chol of North Korea made clear to the United Nations that Pyongyang would not abandon this condition despite the U.S. announcement Sept. 27 that Washington would remove tactical weapons from overseas.

The two Koreas joined the United Nations Sept. 17. Seoul said it did not want to discuss inter-Korean problems at international fora such as the United Nations, but observers here say that a confrontation, indirectly at least, may be unavoidable.

North Korea will address the committee on disarmament on Oct. 28 and South Korea on Oct. 30.

North To Establish Diplomatic Mission in Cambodia

SK2310040991 Seoul YONHAP in English 0235 GMT 23 Oct 91

[Text] Bangkok, Oct. 23 (OANA-YONHAP)—North Korea has sent a five-member advance party to Phnom Penh to establish a resident diplomatic mission in Cambodia, which recently declared itself politically neutral.

Internationally isolated since the collapse of East European communism and reform in the Soviet Union, North Korea seemed to be trying to protect its relations with communist countries on the Indochinese peninsula, diplomatic sources here said Tuesday.

North Korea was likely to name a vice foreign minister-level official as its ambassador to Cambodia, the sources said.

Pyongyang, which has close ties with Prince Norodom Sihanouk, chairman of the Supreme National Council of Cambodia, is paying for remodeling of the palace in Phnom Penh where Sihanouk will live and plans to supply his personal security, the sources said.

Defector on North Policy Toward South

*SK2210125491 Seoul SEOUL SINMUN in Korean
19 Oct 91 p 6*

[Eighth installment of article entitled: "Ko Yong-hwan, Former Interpreter for Kim Il-song and High-Ranking North Korean Diplomat, Speaks"]

[Text] Kim Chong-il personally sets North Korea's policy toward the South after listening to views from Yun Ki-pok, secretary in charge of anti-South operations, Kwon Hui-kyong, director of the External Research Department, and other working-level officials.

Kim Il-song and Kim Chong-il do not accept all the "recommendations" by working-level officials. However, they receive all the subjective, undistorted reports on facts. In particular, they know correctly and in detail almost all of the important events taking place in South Korea. After summing up all the world's major news agencies, the [Korean] Central News Agency occasionally sends "No. 1 Information," "Reference Information," "Data Information," and various other reports on information to them. The two leaders also receive separate reports from the No. 3 Building and the Foreign Ministry.

In particular, during the Seoul Olympics in 1988, North Korea began to positively allow vice ministers and above in the Administration Council and guiding personnel of the party Central Committee to know information about South Korea in detail. Also, since 1987, deputy directors of departments or above in the Central Committee have been allowed to know South Korea's economic strength and other pieces of information about South Korea through lectures. The number of people who directly or indirectly hear news about South Korea is presumably 10,000. Therefore, working-level officials in charge of South Korean affairs know very well that the National Teachers Trade Union [Chongyojo], the National Democratic Alliance of Korea, and other organizations are not beneficial to North Korean-initiated efforts for reunification. Rather, they are using these organizations' activities to strengthen North Korea's internal system.

North Korea propagandizes that all the South Korean students, teachers, and peasants support the activities of the National Council of University Student Representatives, Chongnyong, and various other antigovernment organizations and that only government officials support the South Korean Government.

Realizing that Reverend Mun Ik-hwan was more influential than it expected, under special instruction from Kim Chong-il, North Korea cabled its diplomatic offices overseas in 1989 asking them to strengthen North Korean relations with the Vatican and carried out a plan to open the Religion Department in Kim Il-song University to educate seven to eight religious experts a year. In this way, North Korea shows interest in "work" with religion.

The visit to the North by Miss Yim Su-kyong greatly shocked North Korean society. Upon seeing Yim Su-kyong, North Korean people knew for the first time that there exists an earnest desire for reunification in South Korea. They had known that South Korea does not want reunification. The visit to the North by Miss Yim Su-kyong has significantly changed such a perception toward the South. Miss Yim Su-kyong taught North Korean people how to sing the song "Our Hope Is Reunification," and this song became very popular. She chanted the slogan "the fatherland is one" but refused to chant the slogan "Korea is one" to the end. This caused great trouble to agents in charge of her.

South Korean newspapers reported that plans to facilitate visits to the North by many South Korean students, including a plan for an academic visit to the North by Konguk University students, have been pushed ahead. It will be difficult to carry out those plans. It was troublesome for North Korea to handle Miss Yim Su-kyong, who "came to North Korea with a firm belief." It would be very dangerous for North Korea to receive more than 10 South Korean students at a time.

The North Korean Students Committee, which South Korean students are contacting, is a mere small organization composed of seven to eight students. It appears to be a separate organization from the League of Socialist Working Youth [LSWY] Central Committee. In fact, it is an organization that is close to the government and controlled by the Foreign Ministry's Fatherland Reunification Bureau and the No. 3 Building.

Kim Chang-yong, then vice chairman in charge of LSWY's international affairs and vice chairman of the North Korean Preparatory Committee for the 13th World Festival of Youth and Students, was accompanying Miss Yim Su-kyong like a shadow. He is now the North Korean ambassador to Algeria. So, North Korea's student representatives are not students but "officials." At meetings, they merely read messages written by pertinent departments of the No. 3 Building and have no decision-making power.

North Korea has talked about achieving reunification by 1995. This comes from the slogan "let us achieve reunification within this century." North Korea attaches importance to years ending in 0 and 5. Because 1995 is the last year ending in 0 or 5 before the year 2000, North Korea calls for achieving reunification by 1995. It is not important whether reunification is achieved by 1995.

This is because, if it is not, all North Korea will have to say is that the United States is fully responsible.

I heard that people here speculate that if the economic situation is further aggravated, anti-Kim riots may take place. Such riots will not take place. As a result of North Korea's propaganda to idolize the two Kims, if the economic situation is aggravated, North Korean people will just think: "We cannot live like this. We had better achieve reunification instead of facing this difficulty."

Almost all the Korean people guess that South Korea is well off. However, even though they know this, instead of moving against the establishment, they will much more likely try to achieve reunification using their military power, which they have built up by making strenuous efforts, and to share South Korea's economic power. Given the possibility of North Korea taking advantage of this way of thinking, two or three years from now will be a very important period.

In 1987, just before the 1988 Olympics, the North Korean Foreign Ministry strongly demanded "cohosting" the Olympics. North Korea did this not to cohost the Olympics but to "frustrate" the holding of the Olympics in Seoul. The construction of stadiums was not even completed until just before the 13th World Festival of Youth and Students in 1989. Ko Song-sun, responsible councillor, and Ho Chong, deputy chief of the North Korean Mission to the United Nations, said when North Korea was proposing the cohosting: "Satellites can see our construction sites. What if the South knows the status of our construction?" Still, they said: "If we resolutely demand the cohosting, they will think we are ready." Anyway, North Korea proposed the cohosting, which was entirely impossible, and South Korea rejected this proposal. At that time, the North Korean Foreign Ministry said that North Korea was able to justify itself.

Kim Tae-chung Calls for Nuclear-Free Zone

SK2210003791 Seoul THE KOREA TIMES in English
22 Oct 91 p 2

[Text] Opposition leader Kim Tae-chung yesterday called for opening inter-Korean discussions on making the peninsula a nuclear-free zone, pointing to the decision by the United States to withdraw all its nuclear weapons including airborne ones from the South.

During a session of the National Assembly Defense Committee, he said, "Now that the U.S. plans to withdraw all nuclear arms, including airborne nuclear ones from the South, North Korea cannot justify its refusal to open its alleged nuclear facilities to international inspection. The neither-confirm-nor-deny policy by the South should also be abandoned."

Initially, air-launched nuclear arms were not included on the list of such weapons to be withdrawn from South Korea.

The co-leader of the Democratic Party said, "A discussion to turn the Korean peninsula into a nuclear-free zone should be started in full during the fourth round of the inter-Korean prime ministers' meeting."

Kim went on, "In particular, South and North Korea should also discuss institutional devices against surprise attacks on the other during the premiers' talks."

The conference between the two Korea's prime ministers will be held in Pyongyang from today to Friday.

Thirteen House standing panels were convened yesterday for preliminary deliberation on the 1992 budget.

In the Defense Committee, DP Rep. Chong Tae-chol grilled Defense Minister Yi Chong-ku on the "excessive" budgetary burden for the projected relocation of the U.S. military compound from Yongsan, Seoul, for which Korea is to foot the total bill of \$1.7 billion.

Chong demanded the minister's opinion on the allegation that if the costs for the upkeep of U.S. troops in Korea as well as for the relocation is paid over the next five years, the amount will consume about 20 percent of the national defense budget.

He demanded that the 340 million won allocated for intelligence handling by the Defense Security Command next year should be cut, alleging that some funds could be diverted to surveillance of civilians.

During the preliminary deliberation of the 1992 budget which is to continue until Friday, the opposition party seeks to cut a total of 1.6 trillion won from the 33.55 trillion won proposed for next year's budget.

Rep. Kim Yong-to said that funds for projects promised by President No Tae-u during his presidential campaign takes up 46.3 percent of the Construction Ministry's total budget of 3.93 trillion won.

He said, "The government should not use highway construction and land development to further its presidential campaign."

Central Bank Reports Declining Interest Rates

SK2310021991 Seoul THE KOREA HERALD
in English 23 Oct 91 p 6

[Text] The ongoing market interest rates, which saw an uninterrupted surge in past months, show signs of declining this week, mostly led by the fall in interest rates on short-term funds, the Bank of Korea [BOK] said yesterday.

According to the central bank, overnight call loan rates between short-term financial institutions, a main indicator of the ongoing market interest rates, fell to an annual rate of 11.5 percent Monday, the lowest in eight months.

The overnight call loan rates, which peaked at the end of September 20.71 percent per annum and stayed in the

neighborhood of 18-19 percent in early October, started to fall below the 18-percent level last Wednesday.

The interest rates charged on companies with an "A" credit rating in the curb money market also fell from a monthly rate of 1.85 percent at the end of September to 1.75 percent last Friday and further to 1.72 percent Monday.

The yield rates on monetary stabilization bonds with a maturity period of 364 days, which had remained at the 19 percent level, fell to 18.85 percent Monday.

Reflecting the improved financial status, overdraft loans, which swelled to more than 1 trillion won on a daily basis in September, were known to almost disappear recently at bank window, a senior BOK official said.

The improvement of market financial status was largely attributed to the massive supply of liquidity from the government sector and the bank's expanded lending

capabilities following the increase in the issuance of certificates of deposit, said the central bank official.

According to the central bank, a total of 700-800 billion won was supplied in the government sector this month.

The BOK raised the maximum limited on CD [certificates of deposit] issuance amounts for domestic banks from the past 50 percent of net worth to 60 percent early this month.

The steep rise in the number of smaller companies which went insolvent or bankrupt recently has no direct relation with the market financial status, he also said, adding that such bankruptcies were mostly caused by internal factors such as labor-management disputes, sluggish sales or exports and excessive facility investments, rather than the worsened market financial status.

On the other hand, the possibility is high that market interest rates will soar again late this month when businesses are expected to pay about 3 trillion won in taxes, banking sources said.

Burma

Norway's Envoy Denied Visa To See Nobel Winner

AU2210123491 Paris AFP in English 1204 GMT
22 Oct 91

[Text] Oslo, Oct 22 (AFP)—Norway's ambassador to Burma, based in Singapore, was Tuesday denied visa to visit Nobel Peace Prize winner Aung San Suu Kyi.

Shortly after the Nobel announcement Ambassador Jens Kjell Otterbech was instructed by the Norwegian Foreign Ministry to try to persuade the Burmese military leadership to let Suu Kyi receive the prize in Oslo in December.

"I have been informed that I will not get a visa on this occasion," Otterbech told the Norwegian News Agency.

In its denial the Rangoon government said Otterbech should instead present his views to Burma's Embassy in Singapore.

Suu Kyi has been confined to house arrest for over two years for leading widespread demonstrations against the military junta in 1989.

The day before Norway applied for a visa, the Polish ambassador to Burma was denied permission to pass on congratulations from President Lech Walesa.

42 Karen Insurgents Claimed Killed in Delta

BK2210123591 Rangoon Radio Burma in Burmese
1330 GMT 22 Oct 91

[Text] The KNU [Karen National Union] insurgents who have infiltrated into the peaceful so-called White Area in the Delta Region with an evil design to cause hardships for the people are being sought out and crushed in a military operation jointly conducted by the Army, Navy, and Air Force along with the local people who desire regional peace and tranquillity.

As a result, between 17 October and up to the time this news program is being broadcast, there have been two engagements with the Karen insurgents and eight incidents of hidden arms caches being discovered in Ngaputaw Township.

In the campaign, 35 Karen terrorist insurgents were killed. A total of 25 assorted weapons, 3,343 rounds of assorted ammunition, seven explosive shells, and two grenades were captured.

Similarly, in Bogale Township, there has been one battle and five incidents of hidden weapons being uncovered.

In the incidents, seven Karen terrorist insurgents were killed. A total of 24 assorted weapons, 2,157 rounds of assorted ammunition, one explosive shell, and five grenades were seized.

Similarly, there have been incidents of weapons and ammunition hidden by the enemy being uncovered in Myaungmya, Wakema, and Moulmeingyun Townships. A total of three assorted weapons and 8,036 rounds of assorted ammunition were captured.

Hidden weapons were also uncovered twice in Labutta Township. Seven assorted weapons, 40 assorted rounds of heavy weapon shells, and 6,656 rounds of assorted ammunition were captured.

In sum, a total of 42 Karen terrorist insurgents were killed in this period. Our side captured a total of 59 assorted weapons, 20,192 rounds of assorted ammunition, eight explosive shells, seven grenades, and 40 assorted rounds of heavy weapon shells.

In order to smash the Karen terrorist insurgents, operations are being stepped up and conducted under the close command of Major General Myint Aung, commander of the Southwest Military Command, and by the Army, Air Force, and Navy along with the people who desire regional peace and tranquillity.

Brunei, Malaysia & Singapore

Singapore

Trade Ministry Affirms ASEAN Trade Area

BK2210124491 Singapore THE STRAITS TIMES
in English 22 Oct 91 p 38

[By Tan Sung]

[Text] Singapore's Ministry of Trade and Industry (MTI) has strongly affirmed the ASEAN Free Trade Area (AFTA) concept, dismissing a negative report on the AFTA by the Hong Kong-based Political and Economic Risk Consultancy (PERC) as "highly speculative" and "outdated."

The ministry's Deputy Secretary, Col (Res) [Colonel Reservist] Lai Seck Khui, told THE STRAITS TIMES yesterday that the AFTA initiative is a contractual agreement—not a matter of choice—which binds ASEAN member states to form a free trade area for their manufacturing sectors within a time-frame of 15 years.

This was set out in a framework agreement signed by ASEAN ministers at the recently-concluded 23rd ASEAN Economic Minister's Meeting in Kuala Lumpur.

The framework agreement, to be tabled at the forthcoming ASEAN summit in Singapore in January for final endorsement, will see a progressive removal of intra-ASEAN trade tariffs, aimed ultimately at the formation of a regional free trade area in 15 years.

He said that the "escape clause" in the AFTA initiative, which allows individual states to refrain from participating in certain product-sectors if they are not yet ready, does not extend beyond the time-frame of 15 years.

While member states can choose their own time and pace to get on-board, they must do so within the stipulated time-frame, he said.

"At the end of 15 years, the entire manufacturing sectors of ASEAN will be involved in the Free Trade Area."

Col. Lai was responding to a report by PERC which had warned regional businessmen to take the AFTA announcement "with a pinch of salt."

PERC said that, ASEAN does not have a track record of economic cooperation and forecast that tariffs in the region "will remain essentially intact in the foreseeable future."

PERC added that the "regional trade picture is unlikely to change substantially" in spite of the AFTA initiative.

Dismissing the report citing intra-ASEAN rivalry, "pride" and "self-interest" as likely to hamper the AFTA initiative, Col. Lai said that Indonesia and Thailand are already "unilaterally liberalising" their manufacturing sectors.

He added that regional and global economic developments have changed and ASEAN states now realised that they must share a "common destiny for survival."

Col. Lai also rebutted PERC's point that sub-groups may develop within the ASEAN grouping to threaten its unity—as may be the case in Singapore's recent signing of the bilateral Trade and Investment Framework Agreement (TIFA) with the United States.

The signing of the U.S.-Singapore TIFA, he said, complemented the needs of fellow ASEAN states which will be concluding their own TIFA with the U.S. in due time.

Discussion of thorny issues such as market access and anti-dumping, and the establishment of channels for their swift resolution, are a building block towards consolidating U.S.-ASEAN economic ties, he said.

Cambodia

Officials Arrive in Paris for Peace Conference

Hun Sen Meets Prince Sihanouk

BK2210133591 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 22 Oct 91

[Text] The delegation of the Supreme National Council [SNC] from the State of Cambodia [SOC] faction, headed by His Excellency Hun Sen, chairman of the SOC Council of Ministers, arrived in Paris on the morning of

21 October. Greeting the delegation at Charles de Gaulle International Airport were H.E. Hor Namhong, foreign minister of the SOC, and several French officials.

The SNC delegation from the SOC faction is comprised of six members: H.E. Hun Sen, H.E. Tie Banh, H.E. Hor Namhong, H.E. Dit Munti, H.E. Im Chhunlim, and H.E. Sin Sen, who will attend the Paris International Conference on Cambodia [PICC], which will be held from 21 to 23 October 1991.

On the same day, 21 October, the PICC Coordinating Committee held a meeting to discuss the draft accord. It successfully concluded its work after hearing the detailed explanation of Mr. Rafeuddin Ahmed, special envoy of the UN secretary general, on the role of the preparatory mission of the United Nations in Cambodia and the UN Transitory Authority in Cambodia, as well as the explanation of Mr. (Bagandor), representative of the UN High Commission for Refugees, concerning the prospects for early repatriation of Cambodian refugees.

On the same night, H.E. Hun Sen went to (Cave Floquet) to pay a courtesy call on and hold consultations with Samdech Norodom Sihanouk on the effective implementation of the accord to be solemnly signed on 23 October.

Japan's Nakayama Arrives

OW2210113091 Tokyo KYODO in English 1026 GMT 22 Oct 91

[Text] Paris, Oct. 22 KYODO—Japanese Foreign Minister Taro Nakayama arrived in Paris on Tuesday to attend the Cambodian peace conference, opening Wednesday.

Nakayama is scheduled to meet French Foreign Minister Roland Dumas later Tuesday and Prince Norodom Sihanouk, head of Cambodia's provisional ruling body, the Supreme National Council, on Wednesday. Nakayama will return to Tokyo on Thursday.

Indonesian Minister Says Repatriation Resolved

AU2210140791 Paris AFP in English 1316 GMT 22 Oct 91

[Text] Paris, Oct 22 (AFP)—The Khmer Rouge have indicated they will not forcibly repatriate refugees to areas of Cambodia under their control, Indonesian Foreign Minister Ali Alatas said here Tuesday on the eve of signature of a treaty to end more than two decades of war and revolution in Cambodia.

Reports from refugee camps over the border in Thailand said the resistance faction, which ruled Cambodia with a bloody hand from 1975 to 1979, was preparing to repatriate thousands of refugees to establish a political base as Cambodia is run under U.N. supervision.

"I think the Khmer Rouge have said they would not do what it is alleged they have been doing," said Alatas, who

is co-chairman with French Foreign Minister Roland Dumas of the Paris International Conference on Cambodia, grouping the Phnom Penh Government, the Khmer Rouge and two other resistance factions, 18 other nations and the United Nations.

The minister, speaking to AFP after a meeting with Dumas at the French Foreign Ministry, said his aides had conferred in Paris on the issue with Khmer Rouge representatives.

"I think very considerable progress has been made on repatriation and that after this spate of reports the question has subsided," he said. "I think this issue has now been resolved."

Repatriation would be handled by the office of the U.N. High Commissioner for Refugees, he said.

The signature of the treaty Wednesday will follow long and complex negotiations.

Alatas said he and Dumas were "very pleased" by the progress made by experts meeting here, saying, "It looks like everything is in place." The only problems remaining, he said, were implementation of the complex accords. "I hope that after the signature everyone will remain just as committed and engage as they are now," he said.

VODK Welcomes Cambodian Peace Agreement

BK2310044291 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 22 Oct 91

[Station editorial: "Welcoming the Signing of the Agreement on a Comprehensive Political Settlement of the Cambodian Problem To End the Vietnamese War of Aggression Once and for All"]

[Text] The 19 countries that are members of the Paris International Conference on Cambodia and the four Cambodian parties will solemnly and officially sign the agreement on a comprehensive political solution to the Cambodian problem in Paris, France on 23 October 1991.

The following sums up this agreement's significance:

- Vietnam is required to genuinely withdraw all of its aggressor forces from Cambodia under strict UN control;
- The Supreme National Council [SNC], headed by Samdech Norodom Sihanouk, is to assume power in Phnom Penh and throughout Cambodia as the unique legitimate state body and source of power in the country; and
- A UN force made up of military and civilian personnel is to exert global supervision and control over every situation in Cambodia, including the Vietnamese military withdrawal, the Cambodian parties, and the implementation of all agreements.

The UN Security Council [UNSC] has already decided that, immediately after the agreement is signed in Paris,

the United Nations will send the group of its control force to Cambodia—the second UN contingent will be shipped in at the end of 1991. The UN force and the SNC will jointly organize and supervise general free elections, thereby allowing the Cambodian people to enjoy their rights to self-determination without any external interference.

By every means, on 23 October the Cambodian problem will be comprehensively and definitively settled based on the framework document of the UNSC's five permanent members, but achieving the agreement has not been an easy task. It represents the zealous struggle of the Cambodian people, the tripartite Cambodian national resistance forces, all patriotic Cambodians, the near and distant friendly countries, and all the peace- and justice-loving countries that want to close the books on the Vietnamese war of aggression once and for all to enable the Cambodian people to recover peace and security, thereby restoring peace and security in Southeast Asia and the Asia-Pacific.

The Cambodian people—young and old, male and female—inside and outside the country are very happy to welcome and applaud the signing of this agreement. They hope that the agreement will be strictly and justly implemented to promptly put a definite end to the Vietnamese war of aggression against Cambodia, allowing the Cambodian people to rid themselves of the great suffering, devastation, separation, and death caused by the Vietnamese war of invasion of almost 13 years; and enabling Cambodia to regain independence, peace, unity, neutrality, and sovereignty within its territorial integrity.

After the signing, the Cambodian people are pledged to cooperate with the UN force and the SNC in verifying the complete withdrawal of the Vietnamese invasion forces, both the visible forces and those secretly implanted. This is to thwart any further Vietnamese attempts to hide themselves in Cambodia to carry out sabotage activities and also to prevent their forces from returning to the country after they have withdrawn. Moreover, the Cambodian people will join forces with the UN force in monitoring all the Cambodian parties and other concerned parties to ensure that they correctly adhere to and implement the agreement to be solemnly and officially adopted on 23 October.

Kompong Speu Agents Allegedly Reveal Enemy Plan

BK2010082691 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 19 Oct 91

[Excerpt] According to the national council of Kong Pisei District, 14 Cambodian agents of the Vietnamese aggressors who were forced to infiltrate villages and communes in Kong Pisei District, Kompong Speu Province, gave themselves up to our local national council and people on 15 October.

In their admission, these compatriots have said: The Vietnamese aggressors have ordered us to infiltrate the villages and communes as follows:

1. To foment and instigate conflict to break the great national union in the villages and communes;
2. To secretly kill the cadres and combatant in the Cambodian national resistance forces and among our people;
3. To disguise ourselves with the uniforms of troops of the National Army of Democratic Kampuchea in order to rob and kill the people. The Vietnamese aggressors would then take this opportunity to incite the people against Democratic Kampuchea.

These compatriots also have said: Early on in the 13 years of Vietnam's war of aggression, we clearly realized the true nature of the Vietnamese aggressors. We will not be taken in by these Vietnamese aggressors' deceitful maneuvers. We know that this is the Indochinese federation strategy to annex Cambodian territory. [passage omitted]

UN Experts Arrive for Elections Survey

BK2310063891 Phnom Penh SPK in French 0400 GMT 23 Oct 91

[Text] Phnom Penh 23 Oct (SPK)—A delegation of UN experts already arrived in Phnom Penh on 22 October to conduct an on-site survey of the organizational structure of the elections, as provided by the UN peace plan for Cambodia.

According to the peace plan, the elections should take place by March 1993, about 17 months after the peace accord is signed in Paris on 23 October.

AGENCE FRANCE-PRESS said the deputy head of the Phnom Penh-based UN Development Program [UNDP], Rajiv Pillay, told reporters that the UN mission intended to stay in Cambodia for 10 days.

"One of the major tasks of the United Nations is to prepare the elections," said Pillay.

"In most of the developing countries, census is held frequently, but this is not the case in Cambodia, he explained.

The population in Cambodia is estimated to be about eight million at present. Moreover, there are hundreds of thousands of refugees living in the camps on the Thai border as well.

Four contending factions currently control Cambodia which has suffered a civil war for 21 years.

Youth Union Begins 2d National Congress

Heng Samrin Opens Session

BK2110053091 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 21 Oct 91

[Text] On 21 October at the Basak Festival Hall, the Central Committee of the Cambodian Youth Union solemnly opened its 2d national congress with 219 full-fledged members attending.

Present in the presidium of the congress were: His Excellency Heng Samrin, honorary president of the Cambodian People's Party [CPP] Central Committee and chairman of the State of Cambodia's Council of State; Mrs. Men Sam-an, standing member of the CPP Central Committee and chairman of the Cambodian Federation of Trade Unions; Mr. Men Kuon, chairman of the Cambodian Youth Union; Mr. Ek Sam-ol, deputy education minister; Mrs. Thongvin Phomvihan, member of the Lao Supreme People's Assembly and first secretary of the Lao People's Revolutionary Youth Union; and Mr. (Le Chinh Hong), secretary of the Vietnamese Communist Youth Union.

After Mr. Men Kuon read the opening speech, His Excellency Heng Samrin made a statement stressing the role and tasks of the Cambodian Youth Union in making great contributions to the cause of the motherland. His Excellency Heng Samrin exhorted youth associations all levels, cadres, youth association members, and all youths to study and firmly grasp their immediate tasks in order to take part in the emulation drive for national defense and construction.

Chea Sim Chairs 22 Oct Session

BK2210101291 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 22 Oct 91

[Text] As planned, the second national congress of the Cambodian Youth Union continued its work on the morning of 22 October under the chairmanship of His Excellency Chea Sim, chairman of the Cambodian People's Party [CPP] Central Committee, the National Assembly, and the National Council of the Kampuchean United Front for National Construction and Defense [KUFNCD].

At the morning session, all participants attentively discussed the report summing up the 1983-91 youth work and activities, the 1991-96 action program, the draft statute of the Cambodian Youth Union, and the difficulties [words indistinct] measures for further implementation, and made some requests concerning the work of the youth associations, such as in persuading youths to join in national defense and construction work and serve society in the future, particularly in building material establishments so the associations will be able to carrying out their activities independently.

Heng Samrin Addresses Congress

*BK2210101391 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1300 GMT
21 Oct 91*

[Speech by Heng Samrin, "honorary chairman of the Cambodian People's Party Central Committee and chairman of the State of Cambodia's Council of State," at the opening of the second youth congress in Phnom Penh on 21 October—recorded]

[Text] Greetings to the presidium. Dear Excellencies, ladies and gentlemen, and national and foreign guests:

The second national congress of the youth union is a very significant political event taking place at a time when the situation is evolving rapidly toward [words indistinct] and at a time when the extraordinary congress of the Cambodian People's Party [CPP] has begun to carry out political tasks in this new phase with brilliant results.

On behalf of the CPP and the State of Cambodia, I would like to enthusiastically welcome the congress and all the delegates and wish the congress brilliant results. [applause] I would like to warmly welcome [words indistinct] friendly countries and all national and foreign guests attending this solemn ceremony. [applause]

Beloved congress: A few days ago, on 17 and 18 October 1991, the CPP's extraordinary congress was held, and it carried out its historic task, achieving fine results. The party congress amended and improved the party constitution to conform with the evolving situation of society [words indistinct], including changing the party's name from the Kampuchean People's Revolutionary Party [KPRP] to the CPP. The congress also gave the party's organizational structure a new form.

In addition, relying on the evolving world situation and the real situation of the country and nation—in which the process of national reconciliation is reaching its final phase—and starting from the consideration and genuine responsibility toward the supreme interests of the people, the party congress set out the party's political platform for the future. The CPP's sacred goal is to adhere to its lofty ideal, which responds to the people's insistent aspiration for building a durable peace in Cambodia, ending the nation's internal conflict, ending the war, implementing national reconciliation, and building national unity throughout the entire nation to defend the social and national gains and build Cambodia according to the party's motto: Independence, peace, freedom, democracy, neutrality, and social progress.

The party also has clearly set out its foreign policy, which seeks to implement a policy of peaceful coexistence, expand the relations of friendship and cooperation with all countries—regardless of their political and social regimes, refrain from joining any military alliance, and maintain sovereignty and territorial integrity in accordance with the UN Charter and various international laws. Moreover, the political platform constitutes the

CPP's ideal, which responds to the Cambodian people's supreme interests and genuine aspirations. It also conforms with the current international trend and with the most recent evolution in the negotiations to find peace for Cambodia.

Beloved congress: Since its inception, the CPP, formerly the KPRP, has firmly adhered to a clear position standing on the side of the people and sharing in the people's well-being and woes under all circumstances to serve the supreme interests of the people, country, and nation. History has clearly shown that when the nation was plunged into disaster between 1975 and 1978, and, with the support of people from all circles, particularly the youth forces, the CPP was the only party that unhesitatingly rose up, struggled, and made sacrifices to save the nation from the danger of the past. Since 7 January 1979, the party has been striving to rally nationalist united forces both inside and outside the country, including receiving assistance from friends near and far throughout the world, and to overcome all kinds of consequences to defend the rebirth of the country and nation, as well as to restore and rebuild all social sectors and the people's lives. It has gradually [words indistinct] and reinstated the nation's prestige.

Through all stages of the past struggle, the party has noted that mass youth organizations, particularly youth associations and youths in all sectors, have played an active role and have greatly contributed to the cause of the common victory of the party and nation. The party has always considered youths to be the future of the country and nation, the vanguard force, the main pillar, and the strata of people with a position, and a special role in society and the nation. The party has always paid attention to the task of educating and promoting youth movements and has considered these essential tasks. These are the common responsibility of the entire party, state, armed forces, and various mass organizations.

In fact, since its birth on 2 December 1978, youth associations have made efforts to rally a multitude of youth forces within the Kampuchean United Front for National Construction and Defense to avert the serious disaster between 1975 and [words indistinct]. While the country and nation are facing great difficulties in the initial stage, youth associations are continuing to play the most important role in the activities to defend, restore, and rebuild the motherland in all fields and have been achieving fine results.

In the military and security sectors, youth forces are the core motivating force in the armed forces. Youths from all strata have heightened their responsibility in the defense of the motherland and have prevented all attempts to reinstate the danger [words indistinct]. In the economic and social affairs sectors, youths are indispensable forces. Youths are peasants, workers, and employees. They are normally in firm grasp of events and have consistently equipped themselves with competence, technical expertise, specialties, and modern methodology. They have cooperated with their elders and are

vanguard models in every task and have successively effected changes in the entire society and nation.

In the educational sector, our youths and youth associations have also made great contributions. Youth associations have closely cooperated in promoting youths and children so that they, in the future, can become courageous and valiant youths, proficient employees, and good and honest citizens who are competent and admirable in responding to the country's needs. Youths, who are students both inside and outside the country, have actively studied and clearly determined the direction of their studies, that is, they study to serve their country. It is the same for young children. Thanks to the attention of youth associations and due to the existence of young Cambodian pioneers, these young ones are grooming themselves to replace their elders and are worthy of the country's admiration.

Along with this, through the patriotic movement, many young children have carried out small tasks appropriate to their capability and have greatly contributed to the task of defending and building the motherland. The party, state, and our people are very proud of the achievements of this generation of Cambodian youths, who in the past have made appropriate contributions to the cause of the nation, particularly their achievements in the task of educating and promoting youth movements during the period following the first national congress of youth associations in November 1983 while the country and nation were still faced with great difficulties.

On behalf of the State of Cambodia's party and state, I express my vigorous admiration for youths and young combatants in the Armed Forces, young peasants, workers, intellectuals, students, youths of all nationalities, and children nationwide for their contributions to the cause of defending and building the society and the nation. I also express my sincere admiration for all levels of the party, the sectors, and the various mass organizations, particularly the youth associations and youth cadres who have actively contributed to the implementation of the tasks of educating and promoting youth and children's movements, achieving fine results. [applause]

I would like to take the opportunity of this occasion to express my profound thanks to the youth organizations of friendly countries near and far and various international organizations for providing assistance and support to this generation of Cambodian youths and the Cambodian nation's cause for a just struggle. [applause]

Beloved congress, the party has highly appreciated all the past achievements and contributions of the youth associations, youths, and children. Along with the above strong points and good character, the party has also noted that youth movements and youth associations at all levels still have a number of weak points.

Therefore, all levels of youth associations, cadres, association members, and youths should profoundly consider, think, and use to the maximum their capability to

overcome [words indistinct]. (?vigorously) expand the associations' activities, and implement the tasks and duties of the associations. In particular, attention should be paid to strengthening education, promoting a multitude of youth movements nationwide, and contributing to implementing the political platform set forth by the party's extraordinary congress. Youths should also directly take part in elections, in accordance with their level of understanding, in order to ensure the supreme interests of the people and the nation, now and in the future.

Youths are [words indistinct] of mankind and the future and the hope of the nation. They are a strata of people who work for success and holding aloft the party's ideal toward achieving the final [word indistinct]. Youths are [words indistinct] force and vanguard forces in all tasks. In their age, youths are capable of [words indistinct] in deciding everything [words indistinct] and the best. Youths are the strata of people with [words indistinct] overcoming everything. The youths' good characteristics are: willingness to make sacrifices, love for work, diligence in labor, and determination in studies.

For this reason, according to the CPP's political platform, in consideration of the current situation in which the country and nation are entering a new phase, namely that of national reconciliation [words indistinct], organizing state administrative networks in conformity with the multi-party system, and in view of the CPP slogans maintaining and building forces in every field, youth associations, cadres, and youths should further heighten vigilance and maintain an awakened patriotic spirit. With this aim, all levels of youth associations should pay attention to the following tasks:

1. Firmly build and consolidate youth associations at all levels to make them a broad front of Cambodian youths representing the youths' interest and mass organizations, which easily attract sympathy and assistance from youth organizations of friendly countries and various international organizations. Rally the multitude of youths, children, and students on all fronts, inside and outside the country without discrimination toward nationalities, religion, [words indistinct], and political tendencies in order to transform them into a great national union force aimed at contributing to building an independent, peaceful, free, sovereign, and neutral Cambodia with social progress.

Close relations should be expanded with [words indistinct] in propaganda and educational tasks [words indistinct]. Increase the conscience of (?mutual assistance) aimed at gradually transforming youth associations into independent mass organizations capable of functioning [words indistinct].

2. Promote a nationalist and awakened spirit among youths and include youths in every activity to serve the cause of defending social and national gains, and defending and building society and the nation toward prosperity.

3. Youths should be encouraged to become vanguards and promote production and work in various labor sectors to contribute to ensuring and raising the living standards of the people and developing the social and national economy. Attention should be paid to conducting research and introducing new technology [words indistinct] eliminating (?inferior) views and working procedures [words indistinct]. They should be encouraged to implement labor discipline, thrift, and be the master in expanding the improvisational spirit aimed at achieving high yields. Youths should still be encouraged to strive to study and increase their capability and knowledge in every field so that they can possess real competence and have the quality to assume all national construction tasks. Youths should be made to understand and realize the correct interpretation of studying, that they should study to serve the country, nation, and mankind.

They should be inculcated with a sense of reason, and quality in education should be stressed, starting from the promotion of the movement to eradicate illiteracy and moving toward providing youths with higher education and beyond. It is imperative to exhort youths into having a sense of national pride; into upholding good traditions, manners, and customs of the nation against any negative phenomena that would result in social woes and complications; and into establishing a dignified, ethical, and well-educated lifestyle.

At the same time, it is imperative to create all kinds of conditions to enable youths [words indistinct] to share well-being and woe, joy and pain with each other, thus generating friendship and solidarity.

4. It is imperative to actively contribute to the protection and care of children; to pay attention to assisting in Cambodian children's work by, for example, intensifying cooperation with all sectors, including local and national institutions and international organizations, in order to help ensure that every child receives education from all circles so that they will become excellent children and good seeds for future generations.

5. It is imperative to fulfill the important role of associations in establishing foreign relations with international organizations as well as youth, mass, and social organizations, individuals, peoples, and youths of various countries in the world with the aim of winning their sympathy and support for the common struggle to bring about bright futures for the youths.

6. Through the past campaign to educate and indoctrinate youths and children, youth associations at all levels must learn from experiences gained in that campaign and must continue to closely link the three areas of effort: education and propaganda work, organization work, and agitation work. At the same time, it is imperative to concentrate activities at the grass-roots level to strengthen the grass-roots youth associations. There must be regular guidance, counseling, and exchanges of reports to assist the higher authorities in their leadership

work to facilitate the application of orders by subordinate levels. There must also be a regular practice of summing up work and handing out citations and rewards for jobs well done. This must be carried out continuously in a manner that can become a basis for strengthening the movement [words indistinct].

7. It is imperative that we are active and in control of the process for educating and agitating youths and children and that we understand that education and propaganda work is the most important effort. For this reason, it is imperative to pay close attention to perfecting and expanding youth education and propaganda work and to introducing an appropriate and effective dose of educational materials, which include moral and financial cares given to cadres responsible for education and propaganda work, material and physical contributions to its smooth functioning, and to maintaining the close cooperation it requires with all sectors concerned in order to concretely carry out this field of activities in line with the psychological nature of the youth's and society's living standards.

At the same time, it is imperative to pay attention to solving and protecting all the rights and interests of the youths. Party committees and authorities at all levels must pay attention to regularly and thoroughly creating conditions for the functioning of the youth associations and to seriously seeking solutions to all problems concerning the youths' livelihood.

Cited above are both the immediate and future basic tasks of our country's youth associations and movements. All these tasks are heavy but noble. On behalf of the party and state, I appeal to youth associations at all levels, cadres and members of the associations, and all youths to further enhance their lofty determination in order to continue surmounting [passage indistinct].

Congress Elects Central Committee

*BK2210135891 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1100 GMT
22 Oct 91*

[Text] The second national congress of the Cambodian Youth Union busily resumed its work on the afternoon of 22 October in accordance with its projected agenda. During the afternoon session, the congress elected the Central Committee of the Cambodian Youth Union. It adjourned at 1600 and will resume its work tomorrow, 23 October.

Siem Reap Party Supports CPP Documents

*BK2110092191 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 0430 GMT
21 Oct 91*

[Address by Neou Sam, representative of the regional party of Siem Reap-Oddar Meanchey Province, at the

extraordinary national congress of the Cambodian People's Party, CPP, in Phnom Penh; date not given—recorded]

[Text] Respected members of the presidium, dear congress participants:

[Words indistinct] on behalf of the province's regional party and the authorities, armed forces, and population of Siem Reap-Oddar Meanchey Province, I would like to express my warmest congratulations to the Cambodian People's Party [CPP] for the brilliant success of its extraordinary national congress. The success of the congress constitutes a just response to the requirements of the country's current situation in accordance with the international trend and with the genuine aspirations and demands of the Cambodian people, both in the country and abroad. This success also fulfills the faith and expectation of the countries that sincerely wish for a settlement of the Cambodia problem.

The CPP's extraordinary national congress has endorsed the party's political platform, thus clearly showing that our party was born out of the Cambodian people, for the Cambodian people in Cambodia, and for the cause of the Cambodian people. It also shows that, under all circumstances and at all times of hardship and difficulties, it has stayed close to and shared its people's well-being and woes. The CPP was the only party that rose up to wage a most dangerous struggle and consented to make many great sacrifices in order to save the lives of all Cambodians, including those living in Cambodia, those living in refugee camps, and those now living abroad, many of whom have joined or are joining other political parties that are conducting activities against our CPP.

Over the past 13 years, courageously and firmly carrying out its historical duty, our CPP has fought to prevent a recurrence of the past catastrophe in Cambodia. This is a truth recognized by every Cambodian and every peace-loving people in the world, a truth that nothing can distort. Not only have these past 13 years restored Cambodia's prestige, but they have also shown that, under the enlightened leadership of the people's party, the Cambodian people have succeeded in erasing the scars of the destruction from the past and have rebuilt the country's infrastructure.

Our Siem Reap-Oddar Meanchey has always been a frontline province and an intense battlefield, where all types of hostile forces have concentrated their efforts to kindle the flames of war and to launch incessant destructive attacks against us. Nevertheless, the faith of the people in our CPP's benevolence, together with the deep-rooted hatred from the past, has combined to become a strong bastion protecting the security and rebirth of the Cambodian people, thus creating favorable conditions for the efforts to rapidly rebuild the country. We have large and small markets full of goods, schools in all sectors and at all levels, hospitals and clinics everywhere, and monasteries to meet the people's livelihood and development demands.

We have also rapidly embarked on material construction, building public buildings of all sizes, factories, enterprises, roads, bridges, waterpipes, and houses by the thousands every day. Cars and buses [words indistinct] meeting the needs of the people.

In summary, during the past 13 years [words indistinct] in peace and happiness, despite the roaring flames of war.

The party's political platform is an invocation of rights, freedoms, democracy, and social progress. It represents progress toward finding a political solution to the Cambodia problem on the path of national reconciliation and the extinguishing a 20-year-long seething fire of national enmity. The party's political platform reflects the Cambodian people's goodwill, aspiration, prestige, and interests. It opens a new historical chapter which links [words indistinct] in the framework of the relations of cooperation with foreign countries on the basis of the principles of equality, dignity, fairness, and mutual benefit.

As for the new contents of the statute, they have created a relaxed and optimistic atmosphere within the party, bringing about favorable conditions for the party's development, both quantitatively and qualitatively, in line with the fighting character at this new stage. They also complete the ideals and the political platform of the CPP in its progress toward victory.

The political platform can be successful only if the party has more and more qualified members who are consistently loyal to the party. That is the precise factor determining the party's success.

Esteemed congress presidium members, the two documents and the address given by His Excellency Hun Sen, chairman of the Council of Ministers, certainly have been formulated through the far-sighted intellect and sincerity of the CPP, which wishes to ensure an early peace, national reconciliation, and prosperity for a nation known for the bitter suffering it has endured over several generations. The regional party of Siem Reap-Oddar Meanchey Province would like to express its great appreciation for all these historic achievements and would like to voice full support for the contents of the two documents adopted by the CPP extraordinary national congress. To bring a brilliant success to the new [word indistinct] of the party, the regional provincial party pledges to spread all these contents widely among the party committee members, the authorities, the armed forces, and the people throughout the province so as to generate a large-scale unanimity of views with the aim of creating a powerful driving force for the political struggle in the new situation. We pledge to make every sacrifice on the basis of the existing prelude to further develop advantages in all fields so as to win the powerful sympathy and support of the people for our CPP.

In conclusion, and once again on behalf of the province's regional party and in my own name, I would like to express deep thanks to the CPP for its great skill and

wisdom, and I wish today's extraordinary national congress of the CPP brilliant success.

Radio Reviews U.S. Institute Delegation's Visit

*BK2110064191 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 0430 GMT
21 Oct 91*

[Text] A three-man delegation of [name indistinct] Institution headed by (name indistinct), former U.S. congressman, paid a visit to the State of Cambodia [SOC] from 16 to 20 October 1991.

On 17 October, the delegation visited Kompong Speu Province to inspect the damage caused by flood. At 1145 [0445 GMT] on 18 October, the delegation attended the closing session of the Extraordinary National Congress of the Cambodian People's Party [CPP] and called on His Excellency Hun Sen, chairman of the SOC Council of Ministers.

On the morning of 19 October, the delegation visited Angkor Wat temple in Siem Reap-Oddar Meanchey Province and paid a courtesy call on His Excellency Chea Sim at 1630 in the afternoon of the same day. On that occasion, His Excellency Chea Sim briefed the delegation on the new developments in Cambodia, particularly the solution for the Cambodian problem, which has proceeded rapidly.

The head of the delegation showed a great deal of interest in the CPP's political program and considered it a move that is in line with the free democracy system being taken up by the Cambodian people.

Regarding the Cambodian situation during the transitional period, he expressed concern that the other Cambodian side, particularly the Pol Pot group, would not abide by the agreement. Concerning the Cambodian-U.S. delegation, both His Excellency Chea Sim and the head of the delegation expressed optimistic views that following the signing of a comprehensive agreement on Cambodia, relations between the two countries would be consolidated and expanded in the interests of the two peoples and two countries.

The delegation ended its three-day visit to the SOC and left Phnom Penh for home at 0800 [0100 GMT] on 20 October.

Indonesia

Government To Accept Alatas as UN Chief

*BK2210105091 Jakarta Radio Republik Indonesia
Network in Indonesian 0700 GMT 22 Oct 91*

[Excerpts] The Indonesian Government will allow Foreign Minister Ali Alatas to become UN secretary general in New York if the world body requests that he do so. Minister and State Secretary Murdiono made a statement to this effect to newsmen after calling on President

Suharto at the Bina Graha Presidential Office this afternoon. According to Minister Murdiono, this could happen if the United Nations decides it, although Indonesia will be facing important tasks in the future. [passage omitted]

The Indonesian Government is not nominating Minister Ali Alatas for the UN secretary general's post, but the UN circles consider him a suitable candidate. Several governments have contacted the Indonesian Government about the candidacy.

Suharto Meets With Indian Commerce Minister

*BK2210134891 Jakarta Radio Republik Indonesia
Network in Indonesian 1200 GMT 22 Oct 91*

[Text] President Suharto has called for the enhancement of economic relations between Indonesia and India within the framework of South-South cooperation. Trade Minister Arifin Siregar said this after accompanying Chidambaram, Indian minister of state for commerce, in a courtesy call on President Suharto in Jakarta this morning. According to Minister Arifin Siregar, there have been 11 joint Indonesian-Indian projects worth U.S. \$150 million.

Muslim Scholars To Support Suharto Candidacy

*BK2210111791 Jakarta BERITA BUANA in Indonesian
10 Oct 91 p 1*

[Text] Jakarta, BUANA—Nahdlatul Ulama [Association of Muslim Scholars, or NU] will support the reelection of Retired General Suharto as president of the Republic of Indonesia for the 1993-1998 term. Despite the absence of any official statements, the NU leaders and members have been unable to find any candidates besides Pak Harto [Father Harto, as Suharto is popularly known]. The NU will issue an official statement of support when the time comes.

Khalid Mawardi, chairman of the NU Political Department, who expressed the support, said that the NU's position had nothing to do with a 7 October statement by the United Development Party [PPP] announced by PPP Secretary General Matori Abdul Jalil that the party would renominate Suharto for the presidency.

"The NU has its own stance which is unlikely to be similar to the PPP's," Khalid Mawardi told BUANA in the front yard of the NU Executive Board head office in Jakarta yesterday.

Khalid said that the NU's position was sincere. There are no vested interests. He said that the NU sincerely felt that there would be nobody else to be president of the Republic of Indonesia for the 1993-1998 term. "There is nobody better than Pak Harto to take on the post," Khalid said. According to Khalid, that this position is similar to the PPP's is merely coincidental. The NU did not influence or provide input to the PPP.

According to Khalid, the wishes of each executive member have already been made known although the matter has not yet been formally discussed within the NU Executive Board. "There is no need for discussion as they already know their respective wishes," said the former ambassador of the Republic of Indonesia to Syria.

Khalid even said that he had already known the wishes of Muslims, particularly the NU members regarding the matter. "I can predict the wishes of the NU members. They will certainly be glad if the one elected again is Pak Harto. Moreover, he has already performed his hajj pilgrimage and can now legally bear the title of Hajj Mohamed Suharto," Khalid said. According to Khalid, the NU will issue an official statement probably during the NU general congress next January.

Khalid cited his experienced leadership, mastery of development matters, and commitment to the people's interests as the other reasons for the NU's support for Pak Harto. Khalid added that Pak Harto's leadership was badly needed to help the nation face difficult times such as the present period. "Don't try to change horses while in the middle of the stream. Otherwise, we will risk being swept away by the current," Khalid said. He described the current world situation as difficult.

Meanwhile, the general chairman of the NU Executive Board declined to comment on the presidential candidate proposed by the PPP. He said that if he talked about the PPP, his remarks would always be considered official. He maintained that his recent statement that there were no other presidential candidates but Pak Harto had nothing to do with the PPP's position. "I simply see the reality. This has nothing to do with the PPP statement," he told BUANA.

Country 'Ready' To Become Nuclear Research Base

*BK2210133791 Jakarta KOMPAS in Indonesian
9 Oct 91 p 8*

[Excerpt] Bandung, KOMPAS—Indonesia is ready to become a nuclear technology research center for the Asia-Pacific region, as it now has 2,000 nuclear technology experts, consisting of approximately 40 doctorate degree holders, 100 masters degree holders, and the rest experienced scientists. Centers for nuclear technology research were established in Bandung in 1962, in Yogyakarta in 1966, and in Serpong in 1978.

Iyos R. Subki M.S., deputy chief in charge of scientific and technological studies of the National Atomic Energy Agency, revealed this to a KOMPAS correspondent during a seminar entitled: "The Role of the Nuclear Reactor in Scientific and Technological Research" at the Atomic Reactor Center in Bandung on 8 October.

Subki said Indonesia has been selected to become a nuclear technology research center for the Asia-Pacific region, and this is attributed to the existence of three research centers in Bandung, Yogyakarta, and Serpong.

Subki added that the three centers annually produce at least 500 scientific works, dozens of chemical isotopes for medical and industrial purposes, as well as other nuclear technical engineering.

Against this background, Indonesia will always cherish the trust given it by Japan, South Korea, the PRC, the Philippines, Thailand, Malaysia, and Australia to become the nuclear research center of the Asia-Pacific region. Meanwhile, nuclear research cooperation with Japan is being conducted at the Serpong center. [passage omitted]

UAE To Buy 7 Indonesian CN-235 Aircraft

*BK2210135091 Jakarta ANTARA in English 0940 GMT
22 Oct 91*

[Text] Jakarta, Oct 22 (OANA-ANTARA)—Indonesia and the United Arab Emirates (UAE) initialed a contract agreement over the weekend on the UAE procurement of seven CN-235 aircraft produced by the Indonesian Aircraft Industry IPTN, State Minister for Research and Technology/President Director of IPTN B.J. Habibies said here Tuesday.

The delivery of the aircraft is still under discussion between officials of the two countries, Habibie said when disclosing results of his three-day visit to the UAE last week.

UAE President Shaykh Zayid Bin-Sultan Al Nuhayyan, according to Habibie, had assured that his country would give priority to buy high-tech products from Indonesia as long as the quality and price were competitive.

The contract agreement covers after-sale service, including a training for program for the UAE personnel, he added.

The CN-235 aircraft jointly developed by IPTN and Casa from Spain has a capacity of carrying 35 to 40 passengers and it can be used for both civilian and military purposes.

In addition to having talks with the UAE president, Minister Habibie also had discussions with Economic and Trade Minister Sa'id Ghabbash, Chief of Staff of the UAE Armed Forces Major General Muhammad Sa'id al Badi, and his deputy Major General Shaykh Muhammad Bin-Zayid Al Nuhayyan.

On that occasion, Minister Habibie also offered other strategic products and services like ships, telecommunication equipment, and arms not only for the UAE but for the Middle East market.

Government Permits Foreign Loans for 15 Projects

*BK2210141991 Jakarta Radio Republik Indonesia
Network in Indonesian 1200 GMT 22 Oct 91*

[Text] The government today announced a list of 15 projects allowed to seek foreign commercial loans in the next four years—from the 1991-1992 fiscal year until the

1994-1995 fiscal year. Radius Prawiro, coordinating minister for economics, finance, and industries, announced this after meeting President Suharto at the Bina Graha Presidential Office this afternoon.

He said that three projects—the Musi refinery, the Kangean-Gresik piping network, and the LNG (liquified natural gas) train F—would be allowed to seek foreign commercial loans not exceeding U.S.\$1.5 billion during the 1991-1992 fiscal year.

Two projects—the West Java piping network I and the Paiton VII power plant—will be allowed to absorb a total of U.S.\$1 billion during the 1992-1993 fiscal year.

During the 1993-94 fiscal year, six projects—the Paiton VIII power plant, the Tangerang-Merak superhighway, the Jakarta beltway, the Cikampek-Padalarang superhighway, the Umbulan water supply project, and the single buoy mooring project in Cilacap—will have a ceiling of U.S.\$1.2 billion in foreign loans.

A ceiling of U.S.\$1.4 billion in foreign loans will be set for a telecommunications project under which 360,000 telephone lines will be installed, the Balikpapan I refinery, the Balikpapan II refinery, and a debottlenecking [as heard] plant in Cilacap during the 1994-1995 fiscal year.

The coordinating minister for economics, finances, and industries said that the list of projects was issued on 12 October 1991.

Two Parties Warned for Premature Campaigning

*BK2210140791 Jakarta Radio Republik Indonesia
Network in Indonesian 1200 GMT 22 Oct 91*

[Text] Sudomo, coordinating minister for politics and security, has confirmed that Home Affairs Minister Rudini has warned the Indonesian Democratic Party and the Functional Group [ruling party known as Golkar] that it will contest the 1992 general election on the basis of conducting veiled campaigns. Speaking after the opening of a seminar on an international convention on quality control in Nusa Dua, Bali today, the coordinating minister for politics and security said that the warning was meant to ensure that organizations contesting the 1992 general election would not violate rules on election campaigning which had been earlier agreed upon.

Answering questions from newsmen on the social welfare lottery, Minister Sudomo said that the government would continue to need funds raised through the lottery to overcome growing social problems. The government receives 135 billion rupiah annually from the Social Welfare Lottery Foundation. The funds are used in part to rehabilitate slum areas, overcome natural disasters, and promote sports activities.

Laos

First Group of 'Refugees' Returns From China

*BK2310044491 Vientiane Vitthayou Hengsat Radio
Network in Lao 1200 GMT 21 Oct 91*

[Text] Recently, 18 families of Lao refugees residing in southern China, comprising 105 members, voluntarily returned to their native land with the assistance of the United Nations High Commissioner for Refugees [UNHCR].

There are currently 3,409 Lao refugees living in southern China at present. Most of them were originally from the central and southern regions of Laos. The voluntary return of the 18 families constituted the first group in the repatriation from southern China of over 3,000 Lao refugees. The repatriation will be carried out in groups—each one consisting of between 100 to 200 repatriates—as specified in the UN plan. The repatriates will be sent back to Laos through Luang Namtha Province, and, after a temporary stay in that province, the refugees will be sent back to their respective former native localities.

Khamtai Siphandon Makes 'Goodwill Visit' to PRC

*BK2210131991 Vientiane Vitthayou Hengsat
Radio Network in Lao 1200 GMT 22 Oct 91*

[Text] This morning, a high-level Lao delegation headed by Khamtai Siphandon, prime minister of the Lao People's Democratic Republic, left Vientiane on a special plane for an official goodwill visit to the PRC at the invitation of PRC Premier Li Peng.

Somsavat Lengsavat, head of the office of the Council of Ministers; Thongloun Sisoulit, deputy foreign affairs minister; and Phongsavat Boupha, Lao ambassador to the PRC, are accompanying Khamtai Siphandon.

This is the first goodwill visit that Khamtai Siphandon has paid to the PRC since his appointment as new prime minister of Laos. The visit will serve to further strengthen, consolidate, and promote the development of relations of friendship and cooperation between Laos and China with high efficiency.

Seeing the delegation off at Wattai airport were: comrade members of the Political Bureau Maichantan Sengmani, Choummali Sai-gnason, Somlai Chanthamat, Khamphoui Keoboulapha, and Thongsing Thammavong; ministers and deputy ministers; and high-level cadres from many ministries and departments at the center. Cai Wencong, interim PRC charge d'affaires to Laos, was also at the airport to see off the delegation.

Kaysone Phomvihan Returns From SRV Visit

*BK2210132191 Vientiane Vitthayou Hengsat Radio
Network in Lao 1200 GMT 22 Oct 91*

[Text] This morning, Kaysone Phomvihan, chairman of the Lao People's Revolutionary Party [LPRP] Central

Committee and president of the Lao People's Democratic Republic, returned to Vientiane following a goodwill visit and a period of rest in the SRV at the invitation of Do Muoi, secretary general of the Communist Party of Vietnam Central Committee, and Vo Chi Cong, chairman of the SRV State Council.

Several members of the LPRP Central Committee Political Bureau welcomed President Kaysone Phomvihane at Wattai airport, including Nouhak Phoumsavan, Maichantan Sengmani, Oudom Khatthi-gna, Choummali Sai-gnason, Somlat Chanthamat, Khamphoui Keoboulapha, and Thongsing Thammavong. He was also met by several members of the LPRP Central Committee, ministers and deputy ministers, members of the Supreme People's Assembly, and high-ranking cadres from many ministries.

SRV Ambassador to Laos Nguyen Xuan and staff members of the SRV Embassy were also on hand at the airport to welcome Kaysone Phomvihane.

PASASON Comments on Relations With Vietnam

Affirms 'Special' Ties

BK2310093791 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 22 Oct 91

[Feature article from 22 October issue of PASASON: "Lao-Vietnamese Friendship Blossoms Forever!"]

[Text] Respected listeners, under the joyous atmosphere in which the entire parties, armies, and peoples of Laos and Vietnam are implementing the resolutions adopted at the Fifth Congress of the Lao People's Revolutionary Party [LPRP] and the Seventh Congress of the Communist Party of Vietnam [CPV], from 12 to 14 October, Hanoi residents have demonstrated their overwhelming happiness by extending a warm welcome to Comrade President Kaysone Phomvihane and his entourage when they paid an official friendship visit to SRV. This was the first visit by Comrade President Kaysone Phomvihane to the SRV since his election to the presidency of the Lao People's Democratic Republic.

At 0930 on 12 October in Hanoi, the Vietnamese party and government held a grand ceremony to welcome the state visitors at Chi Linh Square, which was attended by the following: Comrade Do Muoi, general secretary of the CPV Central Committee; Comrade Vo Chi Cong, adviser to the CPV Central Committee and president of the SRV State Council; and other important leaders together with a large number of Hanoi residents waiting to welcome Comrade President Kaysone Phomvihane and his party with a spirit of affection, good will, and brotherliness.

At 0935, Comrade President Kaysone Phomvihane and his party laid a wreath at the mausoleum of the late President Ho Chi Minh—the beloved leader of the

revolutionary movement, the enhancer of Marxism-Leninism, the outstanding revolutionary of the CPV which was formerly the Indochinese Communist Party.

At 1000 on the same day, Comrade President Kaysone Phomvihane and his delegation held an official meeting with Comrade General Secretary Do Muoi, Comrade President Vo Chi Cong, and their accompanying delegation at the Government House. The official talks proceeded in an atmosphere of intimacy and openheartedness. The two sides informed each other of the situation in each country and of each party, exchanged views on strengthening and developing the special relations of friendship and solidarity and the comprehensive cooperation between Laos and Vietnam, and discussed international and regional issues of mutual interest.

The relations of friendship and solidarity between the two parties, states, and peoples of Laos and Vietnam in recent years have been strengthened and consolidated through a new method of cooperation, which has been reformed to become more scientific and efficient in conformity with the capability of each country based on the principles of respect for each other's independence and sovereignty, equality, mutual benefit and assistance, comradeship, and fraternity. Laos and Vietnam affirmed their determination to strive to safeguard, foster, and strengthen the special relations of friendship and solidarity in order to achieve in-depth development in accordance with the specified method and principles that conform with the lines of reform followed by the two parties and countries in response to the fundamental and lasting interests of the people in each country.

During the meeting, Comrade President Kaysone Phomvihane welcomed and expressed his high regard for the important initial results achieved by the Vietnamese people in implementing the line of all-around renovation outlined by the CPV, which seeks to gradually stabilize the economic and social situation, improve the living conditions of the people, and develop the country along the socialist path in conformity with the conditions in Vietnam. Comrade President Kaysone Phomvihane expressed his sincere wishes that the Vietnamese people will be successful in implementing the resolutions adopted by the Seventh CPV Congress, building Vietnam into a wealthy and strong country and contributing to the common cause of the world people for peace, national independence, democracy, and social progress.

The Vietnamese leaders highly valued the achievements made by the Lao people in various fields under the leadership of the LPRP in firmly and vigorously building the people's democratic regime on the basis of the unity of the people of all strata and all tribes, gradually developing the multi-sector goods-production economy, applying the principle of social justice, gradually improving their living conditions, and securely maintaining peace and social order.

Comrade General Secretary Do Muoi and President Vo Chi Cong sincerely wished that the Lao people will win

new victories in implementing the resolutions adopted by the Fifth LPRP Congress, advancing the cause of renovation, and building Laos into a country of peace, independence, democracy, unification, and prosperity with a rising influence and role in the international arena with every passing day.

The official friendship visit to Vietnam by President Kaysone Phomvihane this time serves to further develop, foster, and strengthen the special relations of friendship and solidarity and comprehensive cooperation between Laos and Vietnam. The Ho Chi Minh (trail) between the Truong Chinh Mountains from the east to the west has become a glorious symbol of special Vietnamese-Lao solidarity in carrying out the tasks of national liberation, assisting each other in the struggles, and winning victories together. These special relations have become esteemed and lofty relations, and affection has become embedded in the hearts of all the Communists and peoples of the two countries, thus making this friendship blossom eternally, as once mentioned in the poem composed by President Ho Chi Minh, which says:

To loving hearts, nothing is difficult. They can climb all mountains and passes and cross all rivers. The friendship between Vietnam and Laos is deeper than the waters of the Hongha and Mekong Rivers.

Reviews Kaysone Visit

BK2310055791 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 23 Oct 91

[PASASON editorial: "New Step of Lao-Vietnamese Solidarity and Friendship"; date not given]

[Text] From 12 to 10 October, Kaysone Phomvihane, chairman of the Lao People's Revolutionary Party Central Committee [LPRP CC] and president of the Lao People's Democratic Republic [LPDR], led the highest-level LPDR delegation to pay an official friendship visit to the SRV. It was his first visit since the convening of the 5th LPRP Congress and the 7th Congress of the Communist Party of Vietnam [CPV]. Following the restructuring of the political system in Laos, with the implementation of the constitutional administrative system and the election and appointment of the new president and prime minister of the LPDR, the world situation has rapidly and confusingly changed. Therefore, it is apparent that the strengthening of solidarity [between Laos and Vietnam] at this very moment constitutes a move of great significance, as was seen in the wholehearted welcome given by the entire Vietnamese people to President Kaysone Phomvihane and his party during their visit.

In the talks President Kaysone Phomvihane and his party held during this visit, in addition to reviewing certain important events in the history of special militant solidarity and cooperation between the parties, states, and peoples of the two countries, the top leaders of Laos and

Vietnam reiterated—as pointed out in the joint communique issued after the conclusion of the visit—the strategic policies of the LPRP and the CPV. These policies were adopted at the recent party congresses: To carry out reform in an efficient and thorough manner, in an aim to lead their respective countries toward peace, independence, democracy, unification, and prosperity. The top leaders of Laos and Vietnam also commented that, given the swift and complex changes in the world situation, the joint efforts exerted by the forces for peace and social progress throughout the world are being directed at establishing wholesome and equitable international relations. All problems must be resolved in a rational manner through negotiations on the basis of respect for the sovereignty of nations and opposition to all political, military, and economic interference and oppression against other nations. All nations must respect each other on a mutually-beneficial basis for the sake of the common cause of peace and development.

Regarding the settlement of the Cambodian problem, the restoration of Vietnamese-Chinese relations, and other international issues, during their summit the Lao and Vietnamese leaders expressed unanimous views in support of all solutions agreed upon by the parties concerned.

All in all, the high-level talks the leaders of Laos and Vietnam held during the LPDR president and his party's official friendship visit to the SRV not only emphasized the special relations of friendship and cooperation between Laos and Vietnam, but also took a new step toward more profound relations and mutual understanding between the two sides. During the talks, the two sides exchanged lessons with each other in an objective manner and shared similar ideology and objectives, as earlier pointed out in the speech delivered by President Kaysone Phomvihane at the 7th CPV Congress convened in June of this year. In that speech, President Kaysone Phomvihane said: Even though our parties have established different methods and steps for advancement by depending on the special characteristics of each country, we are continuing to remain profoundly coordinated and harmonious and to support and assist one another. We are also continuing to regularly exchange information and teach each other, thereby enabling our two parties to grow stronger and larger with every passing day and to further enhance our solidarity and leadership capability in each stage of the revolution.

The visit to the SRV by President Kaysone Phomvihane will serve to further enhance and raise to a higher degree the spirit of Lao-Vietnamese solidarity and friendship among all cadres, armed forces, and peoples of the two countries, who will always love and assist one another.

Laos Asks World Bank, IMF for Economic Aid

BK1810035991 Bangkok THE NATION in English 18 Oct 91 p A4

[Text] Laos has called for "strong help and support" from the industrialized nations as well as the World

Bank and International Monetary Fund to help develop its national economy in the hope of achieving a five percent annual growth rate from next year on.

The appeal was made in a speech given yesterday by Deputy Prime Minister Khamphoui Keoboulapha, governor of the Lao central bank, to the meeting of the World Bank's Board of Governors.

He said Laos would "firmly encourage the production of goods for local consumption and for export" in the next five years, "enhancing international relations and cooperation."

At the same time, he said the country will develop agriculture and forestry for further industrial processing and for trade and would try to solve the problem of sectoral growth.

Vientiane also wants to promote mining and hydropower generation for the full exploitation of its hidden resources and will struggle to develop its national economy so that a five percent annual growth rate can be seen from 1992 onward, according to the bank governor.

"In order to achieve this, we must call upon vast amounts of capital and technology from abroad. We need the strong help and support of friendly countries and international organizations, including the World Bank and the IMF," said Khamphoui, also the minister for the economy, planning and finance.

Since 1985, Vientiane has been implementing the so-called "New Economic Mechanism," a plan to transform the currently prevailing subsistence economy into a market economy, which Khamphoui said had been "clearly successful."

However, he admitted that despite "a great deal to assistance from abroad," the new policy still faced many difficulties due to a lack of capital, technical know-how, and management experience.

"The current state of our development and the present constraints limit our ability to use our rich resources to their fullest," he said.

Sisavat Keobounphan Speaks on World Food Day

BK1710110891 Vientiane KPL in English 0917 GMT 17 Oct 91

[Text] Vientiane, Oct 17 (KPL)—A ceremony was held yesterday at Dan Sang Cooperative, some kilometres south of Vientiane town, to mark the 11th anniversary of the World Food Day this year with the theme "trees for life".

A large number of senior officials from various ministries, services, foreign missions and international organisations in Laos attended the function, which was hosted by the Ministry of Agriculture and Forestry.

Minister of Agriculture and Forestry Mr. Sisavat Keobounphan and FAO's [UN Food and Agriculture

Organization] representative to Laos Dr. Francis J. Mouttapa addressed the audience by stressing on the importance of the event. The agriculture minister spoke of some issues on food and environment in Laos indicating the adverse effects of the degraded and affected environment and wild life as a result of slash-and-burn cultivation practice and arbitrary trees felling in the country. He also touched on natural disasters in Laos this year, which have caused considerable losses to the people, and expressed thanks for international relief and aid. He then pointed to efforts to preserve the environment and wild life in Laos.

On his part, the FAO representative read out the FAO general director's message (The message in full text is also printed in today's issue) [sentence as received].

An exhibition was also organized at the same place to show achievements in agricultural development in Laos to which FAO has a considerable contribution.

Women's Union Meeting on Development Opens

BK2210104891 Vientiane KPL in English 0908 GMT 22 Oct 91

[Text] Vientiane, Oct 22 (KPL)—A meeting was opened yesterday at the headquarters of the Lao Women's Union [LWU] to assess past activities in women's development.

Chaired by Dr. Davon Vongsak, vice president of the LWU CC [Central Committee], the five day conference is to look into positive and negative points in the implementation of women's development work in view to improve the activities within the 1992 programme.

The conference is sponsored by UNICEF. It is attended by representatives of women from Houa Phan, Xiang Khouang, Luang Prabang, Bokeo, Oudomsai, Khammouane, Savannakhet, and Champassak.

Taking part in the discussion are Ms. Shui Meng Ng, representing UNICEF office in Vientiane, Dr. Sombat Somphon, head of the integrated agricultural system.

First Nationwide Conference on Industry Opens

BK2110151991 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 21 Oct 91

[Text] Soulivong Dalavong, acting minister of industry and handicrafts, presided over the first nationwide conference of industry and handicraft, which opened in Vientiane Capital this morning. Over 100 delegates from (?seven) provinces and Vientiane Municipality and some cadres from the center are participating in the conference, scheduled to last three days. During this time, delegates are expected to discuss and reach unanimity on the reality, capabilities, and ways to gradually promote and manage industry and handicrafts.

In his opening address, Soulivong Dalavong said: Industrialization is an objective requirement for modernizing and advancing the national economy. For our country,

industrialization will be pursued as appropriate, according to the country's actual strength and capabilities. We have a policy for the immediate future to vigorously promote industry and handicraft production by taking the necessary measures, which will focus on producing consumer and export goods, especially those in which the country has an advantage. We will begin with small industries and handicraft production in many localities. Primarily, we would use local raw materials, resources, and labor with family capital. For production to be intensive and agricultural, and for processing forest products, these industries will be under private management. This will promote the development and expansion of goods production, while contributing to work reclassification. The minister added: At the same time, we must increase our efforts in establishing cooperation with foreign countries to develop medium and large-scale industries, such as in energy and mining, to enable the industrial sector to become a sharp tool of (our national economy). In the meantime, our state must adopt the policy of protecting domestic production and providing financial support, tax incentives, privileges, and benefits to the export industry. In addition, the state should define the product categories and industries that are entitled to receive the state's promotional rights which are aimed at promoting industrial development.

Philippines

Aquino To Convert Bases If U.S. Leaves Early

HK2310005091 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 22 Oct 91

[Italicized passages in English]

[Text] The Aquino administration is determined to convert Clark Air Base and Subic Naval Base into commercial sites once the Americans leave these facilities. President Corazon Aquino stressed this in response to the possibility that the United States will take a hardline stance and not complying with the proposed three-year withdrawal period, instead withdrawing from the Philippines immediately.

In a statement, Mrs. Aquino said that the government will conduct talks with the United States for the gradual and orderly withdrawal of the U.S. bases, which will pave the way for the bases to be converted for commercial operations.

The chief executive also assured that the government does not have a *hardline position* regarding the negotiations between the two countries.

De Villa: Mutual Defense Treaty Still Applies

HK2210112191 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 22 Oct 91

[Text] Acting Defense Secretary Renato de Villa has said that the Mutual Defense Treaty between the Philippines

and the United States is still in force until one of the parties issues a notice for its termination. Here is Josette Olivera with the details:

[Begin Olivera recording] De Villa told members of the Business Industries and Retirees Chapter of the Philippine Military Academy Alumni Association that both countries have not yet discussed how the United States will fulfill its obligation if the Mutual Defense Treaty is invoked after the military bases agreement between the Philippines and the United States expires on 16 September this year. De Villa explained that the Mutual Defense Treaty must pass through the constitutional processes of both countries, unlike the automatic process of the North Atlantic Treaty Organization. [end recording]

Americans 'Stealing or Looting' at Clark Air Base

HK2310015891 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 22 Oct 91

[Text] The Clark Air Base Command [Cabcom] has revealed that American soldiers themselves are guilty of stealing or looting important equipment from Clark Air Base. Cabcom made the revelation after they arrested a U.S. Air Force sergeant attempting to smuggle out computers worth 900,000 Philippine pesos.

The suspect was identified as U.S. Air Force Sergeant Miller of the Security Police Squadron. Miller was arrested while instructing Filipino scrappers [word in English] to load several new computers into two crates.

Meanwhile, an American site supervisor of the U.S. Embassy facility was said to be responsible for smuggling equipment from the Voice of America relay facility at Clark Air Base.

Drilon Urges Concessions by Foreign Creditors

Threatens 'Unconventional' Solutions

HK2210051091 Quezon City MALAYA in English 22 Oct 91 pp 1, 2

[By Marie Rose Feliciano and Cris Larano]

[Text] Executive Secretary Franklin Drilon yesterday warned foreign creditors that the government may be forced to adopt "unconventional" ways to solve its debt problem if lenders refuse to grant concessions. But he ruled out debt repudiation.

"We have religiously paid our obligations. We have not done a Peru. Our president has resisted, at enormous political cost, pressures to repudiate loans. Or, suspend payments. Or, impose a debt cap. We have been good debtors," Drilon told the European Chamber of Commerce.

"But our creditors have not reciprocated with any sign of liberality, not even in the face of the real suffering of our people in Central Luzon. Central Luzon is now on its

knees in terms of economic difficulties, but the commercial banks continue to exact their pound of flesh. Let me warn then there is a limit to our people's patience," he said.

Asked whether the government was threatening debt repudiation, Drilon said: "Nothing of that sort. Treat us better in negotiations, give us a little consideration for all that we have done."

The country owes about \$28 billion in foreign debts and is seeking \$2.3 billion in fresh loans from commercial banks.

Sources said commercial banks are reluctant to grant the request following reports that the government might exclude the \$2.2-billion Bataan Nuclear Power Plant [BNPP] Plant loan from the buy-back scheme.

Mrs. Aquino has agreed to defer until yearend the inclusion of the BNPP loan in the financial package to await results of an investigation on bribery charges against Westinghouse Inc., builder of the plant. The government is also studying the compromise offer of Westinghouse.

Foreign donors are scheduled to meet next February for a third annual meeting to pledge development aid under the Philippine Assistance Program [PAP].

Senators said yesterday a U.S. mission headed by Elliot Richardson specified that the Philippines must reduce its budget deficit, bring down the inflation rate, and adopt a package of economic reforms, including revenue generating measures, to obtain new commitments.

"Otherwise, the pledging session will be reduced to a consultative meeting to review what we have done with the PAP money," Sen. Neptali Gonzales (LDP [Struggle of Filipino Democrats]), who headed the Senate panel that met with Richardson last Friday, said.

Drilon said economic stabilization remains a high priority of government. "But again let me make it clear to our creditors: You cannot turn a blind eye to the political realities in my country," he said.

"The economic stabilization program can only succeed and—therefore make it possible for us to continue honoring our debts—under a stable political system, not wracked by demonstrations in the streets because of harsh economic measures that our people can no longer bear," he added.

Drilon said the government will continue to press Congress to pass revenue-generating measures to support the economic stabilization program. He said the government will also improve revenue collection.

After his 15-minute speech, Drilon was informed by representatives of commercial banks that the Philippines has been given maximum concessions.

A bank representative told Drilon that international bankers released \$925 million in additional money to the Philippines in 1985 and another \$725 million last year on top of participation in the debt buy-back scheme which resulted in the eventual condonation of \$650 million in debts.

Aquino Said To Contradict Drilon

*HK2310040791 Manila MANILA BULLETIN
in English 23 Oct 91 (Business) p 1*

[Text] President Aquino took yesterday a different stand from the tough stance expressed by Executive Secretary Franklin Drilon the other day when he warned commercial creditor banks not to be too harsh on its terms on the country.

She did not sound a similar warning but maintained the government's position to pay all its debts despite the economic difficulties the country faces due to the eruption of Mt. Pinatubo.

"We have always maintained that, in our relations with the banks and our actions on the debt, our people's benefit is uppermost in my mind," she said.

She expressed the concern of the country's debt negotiators that reneging on the commitment to pay the foreign debt would destroy the Philippines' credit worthiness before the international financial community and impede the inflow of assistance that could be used for programs to benefit the people.

Drilon warned the other day the country's commercial creditor banks against putting to test the patience of the Filipino people by ignoring the call for more debt relief in the face of economic difficulties caused by the Pinatubo disaster.

He aired the warning in a speech before the European Chamber of Commerce but he did not indicate what the government would do—whether to suspend or condone debt payments.

The country's debt negotiators are working on a rescheduling of \$5.3 billion of its commercial debts to allow the government to use its limited resources for the rehabilitation of areas devastated by the eruption of Mt. Pinatubo.

"Central Luzon is now on its knees in terms of economic difficulties—but the commercial banks continue to exact their pound of flesh. Let me warn them—there is a limit to our people's patience," he said.

By invoking "people's patience," Drilon's statement raised speculations that the government may subject the debt issue to the people through a system of initiative and referendum as provided under Republic Act 6735, an act which empowers the people to enact, approve or reject any law, ordinance or provision in the Constitution.

While noting the country's faithful compliance to debt payments, Drilon said that the creditors have not been very responsive. "our creditors have not reciprocated with any sign of liberality—not even in the face of the real suffering of our people in Central Luzon," he said.

Paper Indicates Aquino Support

HK2310042491 Manila PHILIPPINES NEWSDAY
in English 23 Oct 91 p 3

[By Reporter Dionisio Tubianosa]

[Text] President Aquino, supporting a stand earlier made by Executive Secretary Franklin Drilon that the government could be forced to suspend debt payments or repudiate loans with its commercial bank creditors if harsh economic measures continued to be imposed on the Filipino people, yesterday said the people's interest was supermost in her concerns.

"We have always maintained that, in our relations with the banks and our actions on the debt, our people's benefit is uppermost in my mind," Mrs. Aquino stressed, while not denying the possibility of taking drastic actions in case national interest and survival would call for it.

Drilon, in an address before members of the European Chamber of Commerce Monday, said that the Aquino administration may be driven to adopt unconventional approaches to solving its heavy debt probem, and these do not exclude the suspension of payment, or the repudiation of loans.

Drilon, however, clarified that his view was his own personal opinion and may not reflect the thinking of the government or even the President.

The President's statement did not close the door for the government to use the opposite of its current policy to meet all its obligations despite its very tight economic position.

Meanwhile, the Kilusang Mayo Uno [1 May Movement] (KMU) yesterday reiterated its call for the abrogation of government economic programs "that have been proven disastrous for the country" and expressed strong opposition to government plans for higher oil and power prices.

KMU Vice Chairman Leto Villar also dared Drilon to "back up" his toughened stance against the country's creditors by persuading the President to support and work for a limit to foreign debt servicing and the repudiation of "onerous and immoral" foreign loans.

"We oppose (another oil and power rate hike) in the same way as we oppose the antipeople economic policies and programs of the Aquino government that more than anything else are squarely responsible for the persistent and worsened economic crisis in the country," Villar said.

The KMU said it petitioned for the rollback of oil prices by a weighted average of P2.03 [Philippine peso] per liter before the Energy Regulatory Board (ERB) last April. The petition is still pending with the board although the ERB has granted a P1.16 reduction in oil prices last August.

The KMU said it also intervened in a petition before the same body for a P0.17 rollback to power rate filed by Senator Teofisto Guingona against the National Power Corporation (NPC).

Opposing the deregulation policy of the Aquino government, Villar stressed that if government was really after the interest and welfare of the people, "it should have a greater role in easing the economic difficulties of the people by increasing government's subsidy to basic services and not by reducing nor even taking them away."

Villar also lashed at Senator Heherson Alvarez, saying that by supporting the National Power Corporation's (NPC's) petition for another power rate increase, Alvarez had shown "utter disregard" of the people's economic plight. He disputed Alvarez's assertion that government does not have the P5-billion subsidy fund to support the NPC, saying the money could easily be raised by the Aquino government by slashing the huge budget reserved to foreign debt and interest payments.

Manglapus Welcomes PRC-Vietnam Normalization

HK2310055291 Manila MANILA BULLETIN
in English 23 Oct 91 p 9

[By Romy V. Mapile]

[Text] Foreign Affairs Secretary Raul Manglapus welcomed the normalization of relations between Vietnam and China as a positive contribution to peace and stability in Southeast Asia.

Manglapus, chairman of the Association of Southeast Asian Nations (ASEAN) standing committee, is now in Paris for the signing of the treaty ending the 20-year Cambodian civil strife. China and Vietnam were on opposing sides in the Cambodian conflict.

Manglapus was visited by Vietnam Foreign Minister Nguyen Manh Cam, who informed him of the coming summit meeting in Beijing between China and Vietnam.

Manglapus said that with the easing of tensions in the region, particularly with the settlement of the Cambodia issue, even more vigorous development can be expected in the ASEAN countries.

Cam reiterated to Manglapus his country's interest in seeking membership in the ASEAN and Vietnam's adherence to the spirit and principal of the ASEAN Treaty of Amity and Cooperation.

Cam extended an invitation for President Aquino to visit Hanoi, but Manglapus said such a visit may not be

possible in view of the country's present internal developments, including the Mt. Pinatubo eruption.

Malacanang Begins Assassination Investigation

*HK2310034991 Manila MANILA BULLETIN
in English 23 Oct 91 p 1, 20*

[By Mario Casayuran]

[Text] Malacanang has begun its own inquiry into claims that Foreign Affairs Secretary Raul Manglapus hired an American mercenary to assassinate certain military rebel officers and political opposition leaders. Presidential Security Adviser Rafael Ileto said yesterday before the Senate national defense and security committee headed by Sen. Ernesto Maceda.

Jose Alcuaz, former chief of the National Telecommunications Commission (NTC), also testified before the committee. He charged that Manglapus, despite the "clean bill of health" given him by some of his colleagues in the 23-member Senate, is capable of plotting violent plans but not of implementing them.

Alcuaz also said that the taped conversation between Manglapus and Jack Terrell, the alleged hit man, was also purposely leaked out to keep President Aquino from seeking another term.

Alcuaz said that there are pressures being exerted by the President's relatives on Speaker Ramon V. Mitra Jr. and Fidel V. Ramos to withdraw their presidential ambitions in favor of Mrs Aquino.

The two-hour public hearing was attended by Senators Enrile, John H. Osmena, and Orlando Mercado despite objections raised by Senate President Jovito Salonga and Mitra.

Maceda described as positive the announcement by Ileto that the National Intelligence Board (NIB), an office under the President, has met twice and was to meet again yesterday afternoon for a closed-door summation with the intelligence community in attendance.

Senator Maceda Wants Terrell To Testify

*HK2310115091 Quezon City Radyo ng Bayan
in Tagalog 1000 GMT 23 Oct 91*

[Text] Jack Terrell is expected to arrive in Manila next week to face a hearing by the Senate Committee on Defense and Security, which is headed by Senator Ernesto Maceda. Terrell will shed light on his expose, which implicates Foreign Affairs Secretary Raul Manglapus. Here is Jojo Ismael with the details:

[Begin Ismael recording] According to Senator Maceda, they plan to exert every effort to contact Terrell, who is currently in Dallas, Texas, so he can be invited to face the current investigation of his allegation that he was paid by Manglapus to kill the leadership of the rightist rebel soldiers. Maceda mentioned that his committee

might take the testimony of Terrell from a mutually acceptable Asian country if he does not want to come to Manila. Meanwhile, Terrell told reporters in Texas that he is ready to return to Manila within a week if he is called upon by Maceda's committee. The Philippine Broadcasting Service News also learned that the committee will be hearing testimony from the Commission on Immigration and Deportation regarding Terrell's mysterious entry into the country last year. [end recording]

Senate Approves Amended Election Bill

*HK2310035991 Manila PHILIPPINES NEWSDAY
in English 23 Oct 91 pp 1, 2*

[By Reporter Ros Manlangit]

[Text] The Senate last night approved on third and final reading a synchronized election bill as mandated by the Constitution, but with a rider that may allow the Commission on Elections [Comelec] to hold separate elections upon its discretion.

Next year's joint polls, scheduled on May 11, will be the reference point for all succeeding elections under the Aquino Constitution which introduced radical electoral reforms that include shortened tenure for national and local officials.

However, the likelihood of separate elections for national and local officials may materialize under a "rider" authored by Senator Rene Saguisag. The rider empowers the Comelec to set separate election dates, for national and local polls.

Elections for the President, Vice President, senators and congressmen will be held as scheduled on May 11, 1992.

The local polls may be scheduled on a later date but not after June 30, 1992 when the terms of all elected officials under the Aquino administration expire.

This will be subject to the discretion of the Comelec after an assessment of the wisdom of holding simultaneous elections.

The measure—Senate Bill No. 1861—will now go through a bicameral conference review starting Friday by the Senate and the House of Representatives which has its own version of the proposed measure. The bill will then be finally endorsed to Malacanang for signing into law.

Among the proposals introduced by senators apart from the Comelec discretion to schedule separate polls were:

- Extension from 90 to 120 days of the election period although the constitutionally-set period of 90 days will be observed prior to the election date. The 30-day extension will cover the post-election period.
- Redisstricting of the provinces, cities and towns for the purpose of electing members of local legislative councils or Sanggunian by district to lessen the number of

candidates' slots in the official ballot. With this amendment, the 55 slots to be filled up by voters may be reduced to 36.

- A 75-day campaign period for the candidates for President and Vice President and 45 days for senators, congressmen, and local officials.
- A spending limit of P [Philippine peso] 10 per voter for the presidential candidates and P3 for members of Congress and local officials.
- Equal watcher's representation for all major parties which shall be assured by requiring that six principal watchers be allowed at the polling place.

These provisions practically remove the so-called dominant status of the major pro-administration party and the dominant opposition party.

- Retention of the participation of citizens' watchdog groups.
- Shortening of the period within which election protests must be resolved.

Increasing the copies for distribution of the canvass certificates of votes as a safeguard against possible tampering of election results.

Liberal Party Selects New Presidential Candidate

HK1510120191 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 15 Oct 91

[By Restie De Quiros of DZRH Unit No. 8]

[Text] Senate and Liberal Party [LP] President Jovito Salonga won the position of party standard bearer over Supreme Court Chief Justice Marcelo Fernan in a vote by the LP executive committee. Salonga got 17 votes against 11 for Fernan.

Nonetheless, the executive committee gave Fernan another week to decide whether to accept his nomination as LP standard bearer in the 1992 elections. Should Fernan decide to run, he and Salonga will be subject to the convention's decision, so that LP members can choose the party's presidential candidate. Of the 30 who attended, Senator Wigberto Tanada and former President Diosdado Macapagal abstained.

In a related issue, other presidential candidates, particularly Senator Juan Ponce Enrile, challenged Fernan to announce his intention, as what he intends to do has become obvious from the provincial sorties he has been conducting and the speaking engagements he has been attending.

Congress Supports Church Voting Council

HK1610041291 Manila Far East Broadcasting Company in Tagalog 0100 GMT 16 Oct 91

[Text] Congressmen have supported the Catholic Church's move to establish a parish pastoral council for responsible voting which will serve as poll watcher to prevent fraud in the upcoming elections. The council, headed by Congresswoman Consuelo Baby Puyat Reyes,

asked congress to support the Catholic Church program, which is expected to provide sufficient information to voters on the ability of each candidate running in the polls. This movement will also help the Elections Commission keep an eye on any irregularity which may occur during the elections.

Cardinal Sin Discusses Church Role in Politics

HK2210090991 Quezon City ABS-CBN 2 Television in English 1430 GMT 21 Oct 91

[Interview with Catholic Archbishop Jaime Cardinal Sin by program hosts Teodoro Benigno Jr., Tony Abaya, and Rudy Romero on "Options" program; date not given—recorded]

[Excerpts] [passage omitted] [Benigno] Your Eminence: For the first question, what has motivated the Roman Catholic Church for the first time to take this active role in trying to shape the outcome of the national elections and why at this time?

[Sin] It is because people are constantly complaining about leadership. And therefore, we believe that we should educate our electorate in order that they could gain, or they can make a proper choice for the welfare of this country. And so in the course of our discussions here in the second plenary council, we thought of educating our people for this kind of human activity or exercise, we call politics. And they might say that we are interfering in political affairs. But I would say that politics is a human activity. And as a human activity, it has its moral dimensions. So we are here in order that our people would be instructed on how to choose the leadership of this country. [passage omitted]

[Abaya] Your Eminence, I have seen the criteria, or the preliminary criteria that the Church has formulated recently. I think the danger here is that, maybe the criteria are too general so that it includes everybody. It does not exclude anybody. I think we, probably people are expecting a more exact, a more definite criteria so that some aspirants will be eliminated [words indistinct].

[Sin] Well, I am very happy that you commented on that. This could be a first attempt.

[Abaya, repeating] First attempt.

[Sin] But they will be continuously...

[Abaya, interrupting] I see, I see.

[Sin] And in this forthcoming meeting, I think this could be deliberated, and I think we will come to the proper kind of screening and criteria that might be more practical.

[Abaya] Your Eminence, you say that your approach to helping the election of the right men and women in the 1992 elections is limited to the drawing up of a list of criteria. But I would drop by a phrase in the final acts of the second plenary council where, among others, the

leaders of the Catholic Church of the Philippines were asked to "explicitly promote the election to public office of people of true integrity." I am struck by that phrase: explicitly promote. Now what does that cover?

[Sin] Well, that is precisely the meaning of our criteria in the choosing of the leadership, that the candidate who should be leading this country in the near future, should be, number one, pro-poor, and number two, pro-Constitution. And it should be based on personal integrity, honesty, past performances, and private life. [passage omitted]

[Romero] I'd like to ask you a question, Your Eminence, about something that is also very much in the news today, and that is the bases. Can you share with us your thoughts on what happened in the Senate?

[Sin] Well, you see, deep in my heart, at first, I was against the bases. But then, when the Pinatubo thing happened, and because of the 80,000 people who became jobless, I started to change my mind. But then, I was called by Malacanang to do something, but I said I will just appeal to the people, asking them to pray that our senators will be guided by divine inspiration. I did not mention anything. And maybe that was the wisdom that was given to them. They came together, and they decided to reject. And now the president wanted a referendum. The bishops from Mindanao came here, and they told me: This referendum is against the Constitution. It will divide our people. Can you do something? So I said to them, write what you like. I'm going to Malacanang. But I did not go to Malacanang. She went to the house of (Howard Dy) and we had a closed-door conference. And I said to her, you should not call for a referendum because that is unconstitutional. But then maybe, the issue could be on how many years would be the pullout be realized. And she followed. [passage omitted]

Column Analyzes Interview

HK2310044591 Manila PHILIPPINES NEWSDAY
in English 23 Oct 91 p 10

["Turn of Events" column by Francisco S. Tatad: "Cardinal Sin's Initiative"]

[Text] The decision of the Archdiocese of Manila to conduct an educational campaign on responsible voting is a most desirable and welcome thing, properly understood. But it will not always be correctly understood. Different people will read different meanings into it. We saw this in Jaime Cardinal Sin's interview on Options, the Channel 2 program, on Monday night.

This program is hosted by three newsmen, Teddy Benigno, Rudy Rmoero and Tony Abaya, all columnist. They have their respective areas of competence. But they all seem to share an unyielding view of Cardinal Sin as a politician rather than as a priest—Benigno says if he were asked to name the country's top three politicians, he would put the cardinal's name on top of the list—and they completely misunderstood the basic proposition

that the aim of the program of the Archdiocese of Manila is to provide moral guidelines to voters, and not to handpick the candidates whom the voters should choose.

One waited for any of the eminent hosts to ask the proper question that would elucidate the moral position of the Church. Not one of them did. Instead they took turns in trying to evoke from the cardinal the very statements he was not supposed to make, in keeping with the precise instruction of the Church for priests not to engage in partisan politics.

These are some of the more remarkable points raised:

1) Should the cardinal not try to convince one of the more "popular presidentiables" (one who is not likely to make it as president) to settle for the position of vice-president?

"Who?" the cardinal asked. This disarmed all three and the cardinal skilfully danced away from it. But it should have been clear to the three analysts from the very start that it is not the business of the cardinal to choose people who should run for public office and what position one should run for in 1992.

Although the cardinal was involved in putting together the Cory Aquino-Doy Laurel ticket in 1985, that was a tragic mistake, and his present effort to get the laity to involve themselves more actively in place of priests in politics is an attempt to correct that mistake.

Benigno's description of the cardinal as a topnotch politician, correct or not, was obviously meant as a compliment. But it was (is) an injustice since the cardinal, whatever his faults, still wants to be known to the faithful as a priest.

2) Should Imelda Marcos run for president in 1992, and what does the church think of it? Again, the cardinal cleverly dealt with this, but it should equally have been clear from the very start that Imelda's right to run does not derive from any special concessions from either the Church or the state, and the Church cannot possibly take a position against it just because she is Imelda Marcos. That is a matter for the individual voters to decide, if she fits—as the cardinal pointed out—the moral guidelines.

3) Should the Church not impose moral sanctions, such as excommunication, on people who do not pay their taxes?

The cardinal was probably not prepared for this. But every good Christian or honest businessman knows that cheating on taxes is not only a crime against the state but also a sin against God. Now, excommunication is an ecclesiastical censure by which one is excluded from communion with the faithful, for certain sins. Non-payment of taxes, though not a small offense, is not one of those.

During the exchange, one heard new things about the meaning of being pro-Church, about religion and ecumenism. It was suggested that ecumenism wiped out the

distinction between one religion and another. it was disturbed by the suggestion that the Church founded by Christ is now just as good as something founded by a distant non-relation of my great great grandmother.

Ecumenism, according to John Hardon's MODERN CATHOLIC DICTIONARY, is the modern movement toward Christian unity whose Protestant origins stem from the Edinburgh World Missionary Conference in 1910, and whose Catholic principles were formulated by the Second Vatican Council in 1964. These principles are mainly three: 1) Christ established his Church on the Apostles and their episcopal successors, whose visible head and principle of unity became Peter and his successor, the Bishop of Rome; 2) since the first century there have been divisions in Christianity, but many persons now separated from visible unity with the successors of the Apostles under Peter are nevertheless Christians who possess more or less the fulness of grace available in the Roman Catholic church; 3) Catholics are to do everything possible to foster the ecumenical movement, which comprehends all the initiatives and activities, planned and undertaken to promote Christian unity, according to the Church's various needs and as opportunities offer (DECREE ON ECUMENISM).

Ecumenism is a widely used term that is also among the least understood by those who use them.

As soon as the cardinal left the set, the three hosts unburdened themselves of more strange thoughts about him and the Church. Abaya referred to the cardinal as *the* leader of the Roman Catholic Church, while Benigno welcomed his political opinion that a new personality more popular than any of the known presidentiables could still emerge between now and the elections, as though it were a revealed truth, or that no one would have thought of it, if the good cardinal had not mentioned it.

From this interview alone, I am forced to conclude that the Archdiocese of Manila—and the other dioceses in the country—will have to exert infinitely greater effort to educate the public, beginning with those in the mass media, if it aims to succeed in educating the voters.

Some basic facts have to be drilled with greater precision and care into the minds of the voters, beginning with our political "pundits." For instance:

1. We are trying to build a democracy, not a theocracy. Our society should be informed by Christian principles and values but the state should be a secular one, ruled by laymen, not priests. The state should not question the authority of the Church to pronounce on faith and morality, in the name of the transcendent common good, but neither must the state permit itself to be absorbed into the Church.

2. Politics has a moral dimension, so priests have a right and a duty to provide the appropriate moral indications, the proper moral criteria for men and women seeking public office. They do not interfere in politics when they

say, *Vote for morally upright men and women, and don't vote for grafters, thieves, drunks, adulterers, womanizers, apostates, heretics or psychopaths.* But they are not expected to tell the voters who are the thieves, the drunks, the adulterers, womanizers, apostates, heretics or psychopaths seeking public office.

Nor are they expected to tell the voter which specific candidate to elect, from a field of equally suitable candidates. If ever and whenever they do this, they interfere unjustly in politics.

3. The Church, as the new people of God, is made up of all of Christ's faithful incorporated into Christ through baptism. "For this reason, they participate in their own way in the priestly, prophetic and kingly office of Christ. They are called, each according to his or her particular condition, to exercise the mission which God entrusted to the Church to fulfil in the world" (Can. [Canon] 204, Code of Canon Law). The priests and religious, like the laity, form part of the Church, but they are not the Church.

4. Likewise, Cardinal Sin as archbishop of Manila is head of the archdiocese of Manila. He is not *the* leader of the Roman Catholic Church" either in Rome or in the Philippines. His authority does not extend to any other diocese outside of Manila, and it is unfair to him and to everyone else to promote him as the head of Filipino Catholics. If the great masses of our people, Catholics included, do not know this, the duty of those who do is to inform them about it, not exploit their ignorance.

By so doing they correct an error and avoid overstating the cardinal's political influence, even if he decides to get involved again in partisan politics, although he shouldn't.

Editorial Views Church's Political Involvement

HK1610084591 Manila PHILIPPINES NEWSDAY
in English 16 Oct 91 p 10

["Turn of Events" column by Francisco S. Tatad:
"Should We Involve the Church Again?"]

[Text] It is time we learned from our mistakes.

In 1986, the Catholic Bishops Conference of the Philippines [CBCP] lent full support to the activities of Namfrel in the snap presidential elections. The idea to involve the CBCP emanated from Washington, and the bishops, eager to help ensure the holding of clean elections, accepted the invitation, not suspecting the partisan involvement or hidden agenda of some of the organizers.

The bishops did a good job restraining the possible excesses of the administration, but they did not foresee the possibility nor did they recognize the consequence of other forces manipulating the polls for their forces.

Days after the Batasang Pambansa proclaimed President Marcos the winner, the CBCP formally denounced the

election as unprecedented in its fraudulence and questioned Marcos's moral authority to govern. A few days later, the civilian-backed military revolt at EDSA [Epifanio Delos Santos Avenue] broke out and forced Marcos out of power.

The CBCP statement provided the moral basis for that revolt. Anything done by Jaime Cardinal Sin or any member of the clergy thereafter must now be seen as an expression, a logical consequence, of that statement. But then, as now, there were those who, while questioning the Batasan proclamation of Marcos, similarly questioned the propriety and correctness of the CBCP position. Jose Ma. Sison called it "executive action."

That there had been instances of cheating in various places, there was no doubt. For no Philippine election had ever been free of it. But some felt that since the CBCP is not an investigative body or a judicial tribunal and had not conducted a thorough investigation of the reported incidents, it could not have and should not have said what it said—that the election was "unprecedented" in its fraudulence and that because of it, Marcos had lost the authority to govern.

There was, for instance, no attempt to investigate the possibility that any of the reported cheating in areas like Makati had been staged by anti-Marcos forces just to build a case against Marcos, in the eyes of the U.S. and international observers. But moral fervor was on the side of the anti-Marcos camp, and the prevailing opinion was prepared to approve anything said or done against Marcos whom the U.S. for reasons that were not so clear then, had decided to junk.

Now, encouraged by their 1986 experience, some of our political clerics are once again preparing to get involved in the 1992 elections, while certain political forces, both internal and external, are doing what they can to prime them up for the next political engagement.

For example:

1) Former Trade Secretary Jose Concepcion Jr., who had been quick to claim his reward for his work as Namfrel chairman by boarding the Cabinet and staying there until the issue of improper divestiture and conflict of interest made it untenable, has begun asking bishops all over the country to help him organize a nationwide movement for his senatorial ambition. He is asking the bishops to supply the chairmen and coordinators for his movement.

2) Msgr. Leonardo Legaspi, Archbishop of Caceres and outgoing president of the CBCP, in a circular dated October 3, 1991, has sent to all bishops xerox copies of some pages from Sterling Seagrave's book, "The Marcos Dynasty," for their "guidance and information." The material is several years old and contains a one-sided attack on the Marcoses. The CBCP president does not vouch for the truth of the material, but by passing it on for the bishops' "guidance and information" as though it were a Church document, he gives the impression that he

is endorsing everything it says. How would the CBCP feel if a political organization like the KBL [Nelo Society Movement] reproduced pages from a book attacking the Church (and there are many such books) for the "guidance and information" of its members?

3) LDP [Struggle of Filipino Democrats] presidential aspirant Ramon Mitra Jr. had been quoted as saying he is trying to secure the political endorsement of Jaime Cardinal Sin, although he says the good archbishop of Manila has expressed preference for Mrs. Aquino running again with Chief Justice Marcelo Fernan as her teammate.

4) Some Western diplomats have begun pushing the idea of Cardinal Sin getting together with some NGOs [non-government organizations] and putting together a new proadministration vehicle in anticipation of a split in the LDP arising from the intense rivalry between Mitra and former Defense secretary Fidel Ramos.

Concepcion may not deny the report; his communications to the bishops are in black and white. He says he has been going around the provinces for the past several months and as a result of his consultations, "I have finally decided to face the challenges brought before me by the people." He wants the bishops to supply the men and women who will man and raise funds for his movement.

The same with Msgr. Legaspi's initiative; it is in black and white. During the last CBCP meeting in Tagaytay last July, Mrs. Imelda Marcos wrote to the bishops, through the CBCP president, a letter asking for help in her effort to bring home the body of her late husband after October 1 this year. The bishops adjourned without deliberating on the letter, but the CBCP president sent an unusually strong personal reply which he released to the media together with Imelda's letter and which the media erroneously construed as a CBCP document. A few days later, malacanang lifted the ban on Imelda's homecoming, and a few days ago, said it would allow the late president's body to be brought home provided it was flown directly to Ilocos. Correct or not, the impression is that the CBCP president is pursuing his own fight against the Marcoses even after Mrs. Aquino had begun to show a human side to her character.

As for Mitra, this is not the first time he has expressed his desire to get Cardinal Sin's endorsement, though it is the first time he is saying the cardinal has already indicated his preference of somebody else. As a Roman Catholic, Mitra should know that it is a disorder for priests to get involved in partisan politicking. He should therefore not solicit the cardinal's endorsement, and if he knows the latter has already endorsed someone else he should regret it not because the cardinal prefers someone else but because he has chosen to get involved in partisan politics where he shouldn't—in keeping with the official teaching of the Church, propounded with constancy since Pope Gelasius I made the distinction between

sacerdotal and kingly powers in the year 592, and with increasing frequency and focus since the start of Pope John Paul II's pontificate.

As for external political forces egging on the good cardinal to get involved in in 1992, this arises from their usual desire to interfere in the country's internal politics, using anyone who may be used.

In the fight to dislodge Marcos, the cardinal played a pivotal role. He obviously relished this role and so many people applauded him for it. But there is enough evidence to suggest he was not a "mover" but simply a "moved." Greater external forces orchestrated the play he might have thought was his.

The same forces are obviously eager to re-engage the good cardinal for 1992. he should find the courage to decline and desist. It is the only way by which he can regain any lost credibility and serve the Church. let him provide the correct moral guidelines to help voters choose good, upright and competent men for public office, but let him not yield to the temptation of anointing any specific candidates. As a citizen he has a right to choose his own candidate, but he knows that the people of God in the archdiocese of Manila listen to him as their archbishop, not because he is a registered voter with any political expertise.

This is a critical time for all of us. We do not simply need to elect a competent, effective, efficient, and honest president. We need above all to rebuild and reorder society so that its institutions will function according to their respective roles and responsibilities. The state must not be absorbed into the Church, just as the Church must not be absorbed into the state, and ministers of the Church must never be confused with politicians or functionaries of government. The cardinal and other ministers of the Church can best serve the common good by remaining faithful ministers of the Church.

Authorities Issue Conditions for Marcos' Return

*HK2310104991 Manila Manila Broadcasting Company
DZRH in Tagalog 0800 GMT 23 Oct 91*

[By Dick Sinchongco of DZRH Unit 6 and Rodny Jarlego of DZRH Unit 1]

[Excerpt] When Former First Lady Imelda Marcos returns to the country in November, she will not be permitted to stay at Ninoy Aquino International Airport for any length of time.

Brigadier General Marino Filart, Capital Command chief, said that the former first lady will not be allowed to conduct a news conference at the airport, nor will welcomers be allowed to stay in the airport. Filart also explained that Mrs. Marcos can hold her news conference anywhere except at the airport.

Security escorts will take Mrs. Marcos immediately from Ninoy Aquino International Airport anywhere she wants

to go. Filart also rejected a request by Mrs. Marcos' group to allow her to bring her own security personnel when she returns on 4 November. The government would like its own security personnel to secure the safety of the former first lady when she returns to the Philippines.

In a related development, the former First Lady Imelda Marcos might not bring the remains of former President Marcos with her when she returns to the Philippines on 4 November.

According to a source close to the Marcos family, the former first lady has decided to just wait in Manila for the government to give her permission to have President Marcos' remains buried in the cemetery of her choice. The source also said that the former president had requested to be buried on the peak of a mountain which is the same distance from the Pacific Ocean and the South China Sea. He added that President Marcos had a structure constructed at the peak of a mountain in the Bondoc Peninsula in 1981, but that it was not finished.

Our reliable source hinted that the remains of the former president may be buried here. Our source confirmed reports that the former first lady will be escorted by American bodyguards on her return, but Colonel Jaime delos Santos said that they should first get a permit from the Bureau of Immigration and Deportation before they can work as bodyguards here in the Philippines. [passage omitted]

Indonesia To Release 5 Filipino Fishermen

*HK2210075591 Quezon City Radyo ng Bayan
in Tagalog 0400 GMT 22 Oct 91*

[Text] The Indonesian Government is set to release five Filipino fishermen, who the Indonesian Navy arrested on 30 September, this week. Philippine Consul General Donato Felicio of Manado, Indonesia said that the fishermen can also bring back their fishing vessels. According to Felicio, since last February, over 100 fishermen from the Philippines have been caught by the Indonesians because they illegally entered the country's territory. The consul general said that he is still negotiating for the release of other fishermen detained in Indonesia.

Thailand To Give Philippine Banks Priority

*HK2110052191 Manila BUSINESS WORLD
in English 21 Oct 91 p 2*

[By Gertrudez M. Chavez]

[Text] Bangkok—The Thai Government will give priority to Philippine banks which intend to set up a branch in that country, as part of what has been described as "monetary cooperation" among ASEAN (Association of Southeast Asian Nations) members.

This was disclosed last week by Dr. Amnuay, Viravan, chairman of the National Economic and Social Development Board. Thai banks, Dr. Viravan said, are ready to spread their wings to other Asian countries, including Indochina. During the 46th annual meeting of the International Monetary Fund and the World Bank, the Thai official noted that several foreign banks have expressed interest in setting up branches in booming Thailand.

The Philippines, Dr. Viravan indicated, would be given the first crack because it does not have a branch in Thailand. Otherwise, he said countries which have only a few branches would be next in line.

However, the Thai official pointed out that the opening of a branch in Thailand should be done on a reciprocal basis, meaning Thai banks should also be allowed to set up shop in the Philippines.

When apprised of this development, Philippine bankers were enthusiastic. Octavio V. Espiritu, president of Far East Bank and Trust Corp. and Renato Valencia, president of Union Bank of the Philippines, wanted to give Thailand a try.

One bank which may be seriously thinking of putting up a branch in that country is the state-owned Philippine National Bank [PNB]. PNB is currently in the midst of an expansion binge which is in line with its objective to become a regional bank.

"We believe there will be no problem in opening up in the future. The monetary cooperation among ASEAN members will certainly increase. At the ASEAN summit scheduled early next year, the creation of a common market and free trade will be on the agenda", Dr. Viravan said. He added that the banking issue will be also discussed during the meeting since this is a sector which could be liberalized first to prepare for trade and investment expansion. INVESTMENT, TRADING CURRENCY

Under the official's proposal, the Thai baht will be promoted as an ASEAN investment and trading currency. Thailand's Central Bank Governor Vijit Supinit said Bangkok, as a funding center for domestic markets, will gain from its geographic location and time zone—which is between the Middle Eastern and Far Eastern financial centers.

For instance, the geographic location, Mr. Supinit pointed out, permits Bangkok to deal with Hong Kong, Singapore, Manila and Tokyo in the morning; Bahrain, London, Frankfurt and Paris in the evening.

The liberalization of Thailand's banking laws would be greatly aided if the General Agreement on Tariffs and Trade (GATT) reached an accord, Mr. Viravan noted. He believes that if trade barriers on agricultural and industrial goods were abolished under the GATT talks, Thailand's service sector, including banking, would be opened to foreign firms.

"If GATT member countries could reach reciprocal negotiations on the elimination of the barriers, that would benefit all. Some will be required to sacrifice something, but that will be the good of the majority," Mr. Viravan explained.

Bill Allows 50-Year Land Leases for Foreigners

*HK2310031991 Manila BUSINESS WORLD
in English 23 Oct 91 p 1, 6*

[BY Ricardo Puig]

[Text] The House committee on trade and industry yesterday approved a bill allowing foreign investors to lease private lands in the country for a maximum period of 50 years.

The incentive, however, shall apply only to foreigners "investing in the country in the form of foreign exchange and/or other assets actually transferred to the Philippines and registered with the Central Bank."

The measure is among those included in the package formulated by the House to liberalize the country's investment regime in order to attract foreign investments.

In approving House Bill No. 31547, filed by Pangasinan Rep. Jose de Venecia, Jr., the committee took into consideration the clamor by various groups of foreign investors for "security of land tenure."

The approval also came in the light of the "pressing need for capital infusion into the economy." On the latter, the solons took note of the regional trend in Southeast Asia towards liberalizing land tenure for foreign investors.

Committee chairman Emigdio Tanjuatco, Jr. remarked that the measure—while liberalizing laws governing leasehold contracts with aliens—"is within the limits of, and would not violate the Constitution."

He added that the bill "would only increase security of land tenure for foreign investors, without granting ownership of the land as mandated by the Constitution."

At present, only the New Civil Code and Presidential Decree [PD] No. 471 provide for guidelines on the lease of private lands. The latter, however, is more specific. Issued on May 24, 1974, the PD fixes the maximum period allowable for the duration of leases of private land to aliens or alien-owned entities at 25 years and renewable for another 25 years.

But foreign investors deemed the period insufficient to recover investments infused in putting up industrial estates, factories, processing plants, agri-business enterprises and the like.

The 50-year maximum period allowed by the approved bill is on a per-contract basis. Any new contract will be subject to renegotiations.

The bill requires that the investment for which the leased area is to be solely used "shall be registered with the Board of Investments." Also, the leased premises—which may include private agricultural lands—shall be subject to the provisions of the Comprehensive Agrarian Reform Law.

Finally, the bill states that leases entered into under its provisions will "revert" to leases under existing general law in case the alien withdraw his approved investment within the period of the lease.

Government To Ask IMF for Budget Gap Funding

HK2310051691 Manila BUSINESS WORLD
in English 23 Oct 91 p 17

[By Arleen C. Chipongian]

[Text] The government will ask the International Monetary Fund (IMF) to allow it to incur a bigger budget deficit of P [Philippine peso] 13 billion in 1992, according to Central Bank Gov. Jose Cuisia Jr.

This deficit, which is P9.2 billion more than the original ceiling of P3.8 billion under the economic stabilization program with the IMF, is being sought to allow the government to spend more especially for the rehabilitation work on areas around Mt. Pinatubo.

This would, in turn, involve an increased deficit target for the consolidated public sector to P47 billion in 1992 from an original target of P36 billion. The public sector comprises the national government, the Central Bank, government-owned and -controlled corporations and government financial institutions.

Cuisia noted that such a request would be crucial since the biggest problem that could derail a favorable review of the country's economic performance by the IMF is the expected shortfall in revenues and increased expenditures next year.

He said that the country faced the problem of "falling out of track" insofar as the IMF-sponsored economic program is concerned because of the continued failure of Congress to pass the revenue measures needed to boost government income.

"The senator are always passing the buck to us. I think they should do some self examination," Cuisia said.

The Executive branch of government had been pressing Congress to pass the proposed bill refining the value-added tax program and the modified professional income tax scheme.

An unsatisfactory performance review of the economy by a visiting IMF mission next month would hold the release of about S [U.S. dollars] 250-million in loans from the Fund.

This would also stall negotiations with foreign commercial banks on a new financial package and the restructuring of \$1.5-billion in maturing loans to official government creditors grouped under the Paris Club.

Since both official and commercial creditors require the Philippines to obtain a good review from the IMF, failure to do so would also derail the planned third pledging session for the Philippine Assistance Program (PAP) scheduled next February in Hong Kong.

Cuisia noted that the country was working within "a very tight time frame," adding that measures to close the estimated P39-billion fiscal deficit next year should have been drawn up in time for the IMF review.

While government expenditures had increased due to the massive rehabilitation work on areas affected by the volcano eruptions, revenues had not been increasing as fast.

The government had requested the IMF to postpone the scheduled economic performance review last July to give it more time to meet the targets contained in the stabilization program.

This early, however, Cuisia said that the government would ask the IMF for a waiver of the base money target (or the broad estimate of money in circulation), which the country is expected to exceed.

He attributed the failure to meet the base money target to the P1.2-billion reserve deficiency of the commercial banking system.

But Cuisia could not pinpoint the reason for the high reserve deficiency of the banking system.

World Survey Indicates Decreased Creditworthiness

HK2110061091 Manila PHILIPPINES NEWSDAY
in English 21 Oct 91 p 8

[By reporter Anderes B. Saracho]

[Text] International banks have become more wary of what is perceived as political and economic instability in the Philippines, giving the country a credit rating of only 24.5 points, one of the lowest in the entire Asia-Pacific region.

Statistics from the semiannual survey of international magazine INSTITUTIONAL INVESTOR showed that the country's creditworthiness fell in September by a significant 1.4 points, slightly over the one-point decline in the regional average rating it suffered the same period in 1990.

Compared to six months ago, however, the decline in the country's creditworthiness was down only a slight 0.4 point.

The magazine considers statistically significant any movement of one point or above in the credit ratings.

Manila bankers who attended last week's annual meeting of the International Monetary Fund and the World Bank in Bangkok observed that the country's low credit rating could be attributed to the continuing calls for the repudiation of alleged fraudulent loans, one of which is the Philippine nuclear power plant debt.

Foreign bankers have warned that non-payment of the nuclear power plant loans could result in cross-defaults, a position which the Aquino administration has been warning against but which Congress and the radical Freedom from Debt Coalition dismiss.

The country's deteriorating economic condition—marked by high interest and inflation rates and low growth—has also been cited as possible factors for the decline in the credit rating.

The survey showed that among 20 countries in the Asia-Pacific, international banks ranked the Philippines No. 15 in terms of creditworthiness.

In the global survey—covering 114 countries—the Philippines was ranked 68th, tied with Poland, which in contrast registered a 4.3-point improvement in its credit rating during the period.

The country-to-country credit ratings developed by the magazine were based on information provided by leading international banks. Bankers were asked to grade each of the countries on a scale of zero to 100, with 100 representing those with the least chance of default.

The drop in the Manila's credit rating during the period, however, is not a cause for alarm.

The overall global creditworthiness, as measured by INSTITUTIONAL INVESTOR'S seminannual survey, went down 0.4 point to 37.9 points last month, the lowest level in the survey's 11-year history.

The Asia-Pacific—long the favorites of bankers—suffered a modest decline, while Latin America continued to move upward. Western Europe and Africa fell slightly, as did North America, which lost only 0.1 point but nonetheless recorded its lowest rating in the survey's history.

With the addition of low-rated Myanmar [Burma] in the survey, the Asia-Pacific regional rating was 47 points, a significant 2.5-point drop from last March and 2.7 points from September 1990.

Even Japan, which had the second highest credit rating in the world and the highest in Asia-Pacific, recorded a 2.1-point fall compared to the previous year's level to 92.4 points.

Likewise did the so-called "economic tigers" in the region—Taiwan and South Korea, which ranked third and fourth, respectively, in the region and among the top 20 in the world—because of the worldwide phenomenon.

The decline in the regional average rating, the magazine observed, occurred because "the flood of continual good news has been broken." It quoted a British bank economist as saying, "There are significant political concerns in several countries and inflation has become quite strong throughout the area."

But Asia as a whole still looks good to bankers, the magazine said. "Specific developments in individual countries caused the decline. People are still very bullish about the region," it said.

Thailand

Cabinet Endorses Draft Cambodian Peace Agreement

BK2310032091 Bangkok Radio Thailand Network in English 0000 GMT 23 Oct 91

[Text] The peace agreement for Cambodia due to be signed at an historic ceremony in Paris today was endorsed in its totality by the Thai Cabinet.

Foreign Minister Asa Sarasin has been authorized to sign the document on behalf of Thailand bearing witness to the signed accord provided that the agreement is not changed in its content and without infringing on Thailand's national interest.

The draft agreement approved by the Thai Cabinet is in four parts: agreement on a comprehensive settlement of the Cambodian conflict; agreement concerning the sovereignty, independence, territorial integrity, and the inviolability, neutrality, and national identity of Cambodia; declaration on rehabilitation and reconstruction of Cambodia; and final acts summarizing the Paris conference during which the agreement is signed.

Cambodian Party's 'Liberal' Changes Praised

BK2010025391 Bangkok THE NATION in English 20 Oct 91 pp A1, A2

[By Kawi Chongkitthawon]

[Text] The ruling party in Cambodia saved itself on Friday by filling the posts of president and vice president with the two most powerful Cambodian leaders, Chea Sim and Hun Sen respectively and by giving itself a new name and platform to strengthen its chances of winning the upcoming United Nations-sponsored election within 18 months.

At the same time, Heng Samrin's move to take the ceremonial post of honorary president also marked the end of the dominant rule played by the party's pro-Vietnam group.

Phnom Penh-based diplomats said earlier this week before the congress was held that swift changes within the party's ranks were inevitable. "It is a bitter pill that everybody from the top down has to swallow," said one Eastern European diplomat.

The changes which came with a new party name the Cambodian People's Party or Pracheachun Party—also included most features of a liberal democratic system such as the formation of opposition parties, freedom of assembly, speech, writing, religion, defence in courts and independent trade unions.

A senior Thai Foreign Ministry official said the party's new platform will appeal to the international community, which had opposed Phnom Penh since the Vietnamese invasion at the end of 1978. "Phnom Penh leaders are pragmatic enough to woo foreign support," he said.

The official, who met Chea Sim during his first visit to Bangkok in June, said Chea Sim's exposure to Thailand, Japan and France helped him to understand the dynamism of a market economy and "the importance of international cooperation and acceptance," said the official, who asked not to be identified.

Among the current Phnom Penh top leaders, Hun Sen has received more exposure than anyone else.

Before the breakthrough in the Cambodian peace talks in June, the burly Chea Sim, who also served as the president of the National Assembly, was considered the most powerful political figure in Cambodia. However, the success of the peace talks has boosted Prime Minister Hun Sen's position in the party considerably, if not putting him on par with Chea Sim.

Hun Sen's promotion was a clear indication that the party is in need of his presence to strengthen the chances of winning in the future UN-brokered election. He is popular among the intelligentsia and the young. However, the premier seemed to have mellowed down from his previous position when he accepted the party vice presidency. It was an open secret he had repeatedly demanded the dismantling of the ruling party.

"For now, Chea Sim and Hun Sen are together. Who knows what would happen in the next few months," said a Western diplomat based here. He said only Chea Sim and Hun Sen could hold the party together and face up to the challenges posed by other political parties. At least a dozen parties would contest in the poll, he said. "The Pracheachun Party (Cambodian People's Party) wants to be the core of a future government," he said. At least, a half dozen parties led by non-Phnom Penh leaders would join in the election.

The current Phnom Penh government has already assured the Cambodian people that the government respects the right to property, especially houses that are already occupied or land. After the fall of the Khmer Rouge, thousands of Cambodians from the countryside flooded the capital and occupied private houses and buildings.

The same diplomat belie... another priority of Chea Sim and Hun Sen's, besides improving the party's image,

is to re-address the party's relations with its main supporter Vietnam. Vietnam installed the current Phnom Penh leaders in power after an estimated 200,000 troops toppled the Khmer Rouge regime.

"Hun Sen and Chea Sim must portray themselves as nationalists," said the Thai official.

Vietnam pulled out all its advisers from Phnom Penh at the end of August, according to a diplomat, whose embassy is situated near the Vietnamese diplomatic mission on the Archar Mean Boulevard. He said that marked the end of all categories of the Vietnamese presence in Cambodia.

After Vietnam's unverified troop withdrawal from Cambodia in September 1989, Western reports said at least 3,000 advisers remained and some troops returned intermittently to fight the resistance forces.

Analysts said the other outstanding bilateral issues between Vietnam and Cambodia which need to be settled or at least re-examined would be the demarcation problem along their common border including the Polouwei Island and the debt problem.

Editorial on Signing of Cambodian Peace Accord

*BK2310015591 Bangkok BANGKOK POST in English
23 Oct 91 p 4*

[Editorial: "Khmers Reach the End of the Tunnel"]

[Text] Almost 13 years of war is officially about to end in Cambodia. Khmers of four different political groups have agreed to try to move their disagreement from the battlefield to the political arena. From now on, the pressure will be on Cambodian leaders to achieve the freedom that their people often had despaired of ever finding again. The world can only wish the Khmers well as they attempt to put ruinous years of warfare behind them.

As has so often been proved in Indochina, a treaty is no solid guarantee of peace. Suspensions and rivalries run deep in Cambodia, in particular, and great efforts of will are necessary in coming weeks and months to ensure that peace is more than a respite. The presence in Paris of so many friends of Cambodia is heartening. From ASEAN, the United Nations, and countries of five continents, dignitaries, diplomats and others are on hand to offer their good offices as the Cambodians move towards what all hope is a free and democratic future. One of the most proud is French President Francois Mitterrand; who continued the peace effort even after his first attempt shattered into name-calling two years ago.

With peace at last breaking out in Cambodia, many parties deserve credit. Since the Vietnamese invasion captured Phnom Penh in January, 1979, the struggle to help our eastern neighbour out of a disastrous and bloody war has been difficult and often frustrating. Thailand can hold its head as high as any nation

involved in the peace process. From the beginning, our policy makers not only stood firm against the Hanoi occupation, but saved countless Cambodian lives by providing temporary shelter for the refugees, both the homeless and the political. As the "front-line state," Thailand stood firmly in the camp of the Cambodian nationalists from beginning to end.

Enforcement of the Paris treaty will be the responsibility of the Secretary-General of the United Nations. Javier Perez de Cuellar, who witnessed the signing of the accord, has dispatched an advance team to Phnom Penh to begin arrangements for security. A larger force to arrive later will police a battlefield truce, and try over the next 18 months to prepare Cambodia for free elections. From the beginning, most of Cambodia's friends insisted on this goal, and its inclusion in the treaty is a victory for common sense.

Peace in Cambodia can be defined and built only by the Khmers themselves, however. The Paris treaty brokered by the five permanent members of the UN Security Council in recent months is as fair a document as ever has ended a war. It has realised the political reality of the Hun Sen administration in Phnom Penh, and the personal popularity of Prince Norodom Sihanouk. Remarkably, it also has recognised the reality of the Khmer Rouge, as well as the National People's Liberation Front of Son Sann. Each of the four groups has gained the legal right to battle in the political arena for whatever future is granted by the will of the people.

Freedom and elections will occur in Cambodia, however, only if Khmer leaders are able to continue the goodwill they have shown in recent weeks. The two communist parties to the agreement—the Hun Sen administration and the Khmer Rouge—have officially dropped their more radical party platforms. That puts each of the four groups on the record as favouring a market economy and political freedom. The hope is that they take these pledges seriously. The UN, which took a leading role earlier this year in the liberation of Kuwait, can add another feather to its cap with an even-handed and fair management of Cambodian affairs in coming months. Failure to lead Cambodia to free elections in early 1993 will weigh heavily against the world body.

War in Cambodia has been unwinnable by any party for several years now, at least since the Vietnamese troop withdrawal began seriously in 1986. By that reckoning, the battle already had dragged on for five useless years. Many had predicted that the diverse parties to the Cambodian conflict never could reach agreement on a peace treaty. That pessimism has been disproved by the Paris agreement. Khmers have entered the road to lasting peace, and then to freedom and democracy. It is important that no one be allowed to block the journey. All friends of Cambodia wish that suffering nation well in coming months.

Officials on Progress of Medical Patent Bill

*BK2210133091 Bangkok Radio Thailand Network
in Thai 1200 GMT 22 Oct 91*

[Text] Commerce Minister Amaret Sila-on informed newsmen at Government House today that the medical patent bill has not yet been finalized, noting that the Public Health Ministry must be consulted on certain issues. He said the bill will have no retroactive enforcement conditions and the protection time will be 20 years.

Meanwhile, Deputy Public Health Minister Atthasit Wetchachiwa said the Cabinet has approved the medical patent bill in principle, and there will be no retroactive enforcement and double registration of medicine will not be permitted. He said the prime minister will coordinate with the Commerce and Public Health Ministries on certain issues, particularly concerning the six-month duration before implementation of the bill as proposed by the Public Health Ministry to allow adjustments by the medical industry. The prime minister will be the person making a decision on this matter. The deputy public health minister said once the outstanding issues are resolved the bill can then be submitted to the National Legislative Assembly for deliberation.

Pharmaceutical Patent Bill Final Draft Approved

*BK2310045391 Bangkok THE NATION in English
23 Oct 91 pp B1, B10*

[Text] In a landmark decision yesterday, the Cabinet approved the final draft of the bill to provide pharmaceutical patents, but left room for the Commerce and Public Health ministries to debate a grace period during which new drugs and the ingredients will be temporarily exempt from protection.

At the same time, the ministers have empowered the Public Health Ministry's Drug Committee to decide, on a case-by-case basis, whether or not to grant retroactive protection to medicines and the chemical components which currently are undergoing clinical tests overseas and are not yet available in Thailand.

The committee will also make a ruling on the terms of protection in those cases. Therefore it is possible that the period of protection for individual medicines may differ, said several Cabinet members.

But the maximum protection period would be 20 years for new discoveries, as stipulated in the new legislation.

The approval of the patent bill yesterday ended a two-year controversy which had shrouded the revision of the extremely critical piece of legislation, which had aroused large and active opposition from the public and private and academic circles.

Pressure on Thailand from the United States to protect pharmaceutical patents had intensified the anti-amendment sentiment to such an extent that the Commerce Ministry, which was responsible for the revision, was accused of proceeding with the draft in extreme secrecy.

According to several ministers when approached by reporters yesterday, the grace period will apply to pharmaceuticals and the chemical components only.

All other products, with a few exceptions, can be patented within 180 days of the new legislation being approved by the National Legislative Assembly and announced in the Royal Gazette, they said.

The revised draft as it stands now, with the proposed grace period, is seen as an attempt to appease those who had been most vocal in their opposition to any amendment which would be seen as giving in to external pressure. Most concern had revolved around fears that prescription drugs would cost more.

Deputy Public Health Minister Dr Atthasit Wetchachiwa said he personally felt that the grace period was necessary for the local pharmaceutical industry and consumers. He said he believed the term should be longer than six or 18 months as suggested by the Commerce Ministry.

Using Canada, which recently passed a patent law to protect pharmaceuticals and the active ingredients, as an example, a four-year grace was provided during which new drugs cannot be patented. This will give the local industry time to adjust to new business conditions, said Atthasit.

The deputy minister said he felt that four to five years would be an acceptable period of grace. A minority of the drafting committee members had recommended that the grace period be anywhere between three and 10 years.

Deputy Commerce Minister MR Pridiyathon Thewakun expressed hope that Washington would drop its threat to retaliate against Thai exports if no improvement in the patent law and enforcement of other intellectual property acts was undertaken.

According to the Cabinet resolution yesterday, the Commerce and the Public Health ministries will decide on the appropriate grace period of pharmaceutical patents and propose the term directly to Prime Minister Anan Panyarachun.

The premier will then put the recommendation, together with the final draft bill which was approved by the Cabinet yesterday, to the National Legislative Assembly for deliberation.

The definite grace period—the main issue debated at length by the Cabinet yesterday—will mean that local pharmaceutical companies will be able to continue producing generic drugs without needing licensing agreements.

The draft bill attempts to protect pharmaceuticals, the active ingredients, food, beverages, farm machinery and biotechnological inventions, all of which are not eligible for patent registration in Thailand under the present legislation.

Moreover, the revised act also extends the term of protection for inventions from 15 years to 20 years and for product designs from seven to 10 years.

Decree Empowers Navy To Suppress Drug Trade

*BK2310053191 Bangkok BANGKOK POST in English
23 Oct 91 p 3*

[Text] The Cabinet yesterday approved a draft royal decree to empower the Navy to suppress narcotics trading and illegal fisheries in Thai territorial waters.

The bill was proposed by the Defence Ministry on the grounds that Navy personnel previously were not directly responsible for this work and did not have the power to detain suspects for questioning or seize boats used for such illegal activities.

They could only arrest suspects and hand them over to inquiry officers for further action.

Navy personnel now have full authority to arrest, detain and question suspects and seize boats.

People Reportedly 'Disappointed' With NPKC

*BK2210123791 Bangkok THAI RAT in Thai
20 Oct 91 p 3*

[Feature: "The Political Desk Surveys the Era After the National Peace-Keeping Council Took Over To Repair Democracy—People Are Disappointed"]

[Text] The World Bank meetings, an international-level conference which commanded everyone's attention and was used by many organizations to justify their business, financial, or political actions in the past year, have concluded elegantly and smoothly, free of any untoward incidents.

The thousands of participants have returned home. The Sirikit Convention Center has closed its curtains and shut down its public address systems, and nobody knows how long the center will remain unused.

However, because the speeches made during the meetings continue to echo in our ears, we, members of "the THAI RAT political reporters team," feel that the meetings cannot be allowed to just fade away.

In a speech, Prime Minister Anan Panyarachun said this government is free of corruption. He and Finance Minister Suthi Singsane claimed that the long-dulled Thai economy will turn bullish after the World Bank meetings, saying foreign investors will return and that trading in the stock market, which has been declining, will soar like a rocket again. They said the new constitution was

expected to be promulgated late next month, to be followed by the long-awaited general elections.

All these rosy things are expected to happen in Thailand in late 1991 and early 1992. Everyone cannot wait for this golden era to arrive soon enough. It is one thing to envisage such an era but quite another to see it happening. We will just have to wait and see, but there is a teaching by the monks that says: One should not be too trusting of others' words.

Why should words not be trusted? It is because reality contradicts the statements of the two cabinet ministers above. Just as the prime minister and finance minister concluded their remarks, the stock market took a plunge. The trading volume on 17 October was only 1 billion baht, but this volume increased to 1.2 billion baht on 18 October.

Can we blame all the bad things in the country on Anan and his cabinet? Not really. Blame must be jointly shared by the government and the National Peacekeeping Council [NPKC], but especially the NPKC, which presented itself to repair democracy and the country's ills, should be the party that takes most of the blame.

General Suchinda Khraprayun, who led the power takeover on 23 February, told the people that the king advised him and his colleagues during an audience at Phu Phing Palace that they "must not disappoint the people."

Are people satisfied or disappointed seven months after the NPKC takeover? The THAI RAT political reporter team dares to describe on behalf of the Thai people at large their disappointments.

We will not dwell on the five reasons the NPKC used to justify its power takeover because they represent only part of the failures that have disappointed the people.

Gen. Suchinda said the takeover amounted to taking one step backward in order to advance 10 steps, and that taking the step backward was better than persisting in advancing toward a certain disaster. But the team feels today that the one step backward is taking the country to the edge of the cliff and if the status quo continues perhaps we will all soon topple over the cliff.

As far as we can discern the people's disappointments, we wish to reflect whether they are living better or worse and on their safety and future. The answer is people have not been happy during the seven months since the NPKC entered the scene to repair democracy. The flash of hope people had initially after the NPKC takeover has since been dashed.

On the democracy issue, the NPKC declared that our democracy was weak, claiming that a group of people was exercising parliamentary dictatorship to exploit the power entrusted by the people for their selfish interests and that the situation must be halted and redressed. Our question is: Is democracy being redressed or destroyed altogether?

What has the NPKC done to repair democracy? The most tangible action is the formation of campaigns to propagate democracy at the village level with the goal of discouraging vote buying. This task has failed completely. At first there was a clamor about selling votes being tantamount to people selling off their lives and the country. But what has happened today? Complete nonsense. The education level, knowledge of democracy, or the democracy ideals of the personnel involved in the propagation of such a campaign was never taken into consideration. The campaign has resulted in more problems being created, and it appears that Gen. Itsaraphong Nunphakdi, the originator of the idea about the campaign, has made no mention of the campaign for some time now. What remains to be seen now are signboards littering the streets saying: Selling votes are tantamount to selling off lives and the country.

A look at the bigger picture in the attempt to recreate democracy will reveal that the constitution which is being drafted by the National Legislative Assembly is capturing considerable opposition from the people, indicating that their acceptance is questionable.

The new constitution not only does not strengthen democracy but destroys it. We say this because buying voters will be replaced by buying election candidates. Once candidates are bought, vote-buying is certain to follow on election day because everyone concerned has invested heavily already.

On the economic front, investment has stalled completely. Foreign investors have lost all confidence in Thailand, and foreign investment not only is zero but has dropped into the red zone. The administration may be able to deceive the people but it cannot fool investors and people in financial circles. The daily stock market trading was about 4-5 billion baht before the NPKC takeover, the daily volume is now only 1 billion baht.

It is evident that the people's day-to-day life has suffered and will worsen. They are financially strapped, what with the increase in commodity prices while wages have remained the same. The labor organizations that served as workers' mouthpieces have been effectively destroyed. The September-October period used to be months for airing demands for a minimum wage adjustment, but it has been quiet this year with nobody showing any sign of concern for the workers earning daily wages.

An issue needing earnest attention is the inability to solve the problem of employing the Thai work force in Saudi Arabia. Not only is Thailand losing billions of baht in foreign earning, but also unemployed northeasterners will flock to Bangkok this dry season, contributing to the city's population problem. It is puzzling that the many diplomats in the cabinet have not been able to use their skills to resolve this problem.

On the social front, typically speaking, the country should be calm and free of crime after a coup, but this year hired gunmen continued their crimes even more aggressively; large- and small-scale burglaries have not

abated; and rape, murders, child abductions, and cars which are stolen and driven through military zones to be sold in Laos and Cambodia are a daily occurrence.

Everyone must be eager to ask: Why is all of this happening?

The distrust among the people has been on the increase. They live in the midst of apprehension and cannot trust anyone. They even fear that their telephones may be tapped and their conversations published in the press.

The judicial branch is permeated with divisiveness and rivalries. Its esteem is at the lowest level ever and there is no end in sight. The cause of all of this is the government using the power of the executive branch to interpret the decision of the judicial branch.

Numerous problems have occurred when they should not have and these have received no serious attention after occurring. The prime minister put his hand under a slum child's chin for photographers, but he has not shown any indication that he has any concern for the poor or the flood victims.

Worse yet, the land in which people in Bang Krachao have lived for decades is to be expropriated to set up a public park on the grounds that the expropriation is a belated implementation of a decision made long ago. No attention was paid as to how hurt the people affected by this would be.

The environment conservation claim cited for the expropriation is unacceptable because to date no law has been enacted to control the destruction of the forests in order to build golf courses and because the people in the forest in Buriram Province continue to live in make-shift shacks and victims of the fire at Khlong Toei still live in tents.

The city's problems have not received earnest and correct solutions, particularly the traffic problem. The NPKC issued only one order relating to traffic since it came to power to ban parking on 314 roads. But parking continues to be tolerated on those streets, and police tow trucks and fines have not been put to use.

The traffic problem is extremely difficult to solve. It is the most disappointing problem because the absolute power of the NPKC could be used to facilitate its solution. The Hopewell and Lavalin mass transit systems could have been finalized in this period instead of allowing a single cabinet minister to obstruct the interests of the city people at large.

Regarding the various democratic, economic, and social failures and problems mentioned above, we, the THAI RAT political reporter team, appeal to the NPKC to review the announcements and orders it issued after it came to power. The review will make the NPKC realize that not a single claim about what it wanted to do has been accomplished and that its time is running short.

With the little time remaining, do not try to lay a foundation for the country. It would be better to devote to tackling the immediate problems of the people. And it is most improper to leave all responsibilities to the government. The NPKC created this government and therefore, it cannot leave the government to run on its own and have it be solely accountable for its actions. The NPKC must be responsible for every government failure because it is the originator of everything that happens in this country.

Do not shift all the blame onto the government. If it is deemed that the national administration is flawed because the government is inferior in ability, then the government has to be changed. If it is deemed that the government is already good, then let it continue functioning. But it is most important that the NPKC does not act as if it is not responsible for anything.

There is only a little time left. It should be the time for the NPKC to assess itself as to what disappointments it created in the past seven months. If it wants to solve them, it should place emphasis on the government, which performs the administrative tasks of the NPKC.

Last week we appealed to the NPKC members to sit together for a frank discussion so that they would know which bolts are loose and tighten them accordingly. We repeat the appeal this week. This is because if the NPKC cannot come up with a unified direction, the government cannot take the correct path.

Today, do not think about or make new plans to fulfill the hopes the people had at the beginning. That time has run out and passed. The only thing that can be done now is to limit the people's disappointments.

Chinnawat Satellite First With Cellular System

*BK2310032191 Bangkok BANGKOK POST in English
23 Oct 91 p 22*

[Text] The chairman of the Hughes Aircraft Co board, Malcolm Currie, said yesterday Thailand's first satellite would include cellular transmission which would enable direct links between mobile telephone users and the satellite.

Speaking during a visit to Chinnawat Computer & Communications Co, Dr Currie said Thailand would be the first country in the world to have the advanced system in use in the H-376 satellite.

With the installation of the system, the satellite will become the world's first cellular transmission unit in space.

It has cost Hughes Aircraft \$1.5-2 million to develop the software for the system to be used in the Thai satellite.

Dr Currie said the software would be installed both in the satellite and the ground station. The software was invented by Hughes Aircraft and Nokia of Finland.

Thailand will be the leader in telecommunications in the region when the system is introduced.

Hughes Aircraft will deliver the first satellite to Chinnawat for launch within 24 months. The company has already launched 36 satellites without problems.

Thailand's first satellite will also cover Indochina, Hong Kong, Korea, Taiwan and Japan, according to Dr Currie.

Chinnawat executive chairman Thaksin Chinnawat said the cellular transmission system was included in the original 2,500-million-baht cost of the satellite.

He said the installation of the software in the satellite would save money when it came to setting up ground stations.

Dr Thaksin said the Thai satellite project had helped reverse the brain drain of Thai technicians leaving to work for NASA in the United States.

The Chinnawat satellite project provides a challenge for the Thai technicians.

Vietnam

Premier Meets MIA Relative, Comments on Policy

BK2310102291 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 22 Oct 91

[Text] On the afternoon of 21 October 1991, Vo Van Kiet, chairman of the Council of Ministers, received and cordially talked with a delegation of British Television reporters led by Scott Smith who came to Vietnam to shoot a film on the issues of MIA's [Missing In Action] and POW's [Prisoner of War].

Accompanying the filming delegation was Miss Deborah Robertson, the daughter of U.S. pilot Robertson who was shot down in Vietnam in 1966. Robertson was one of three American MIA's pictured in a fake photograph and allegedly reported still living by some foreign papers in last July 1991.

Chairman Vo Van Kiet expressed his understanding and profound sympathy with Miss Deborah's family and other American families whose members were reported missing during the war in Indochina. He specified: The Vietnamese Government and people will do their utmost together with the U.S. MIA agency to search for the remains of U.S. soldiers killed during the Vietnam war whom both sides have not found. This is a humanitarian policy issue that the Vietnamese Government and people are much concerned about.

Chairman Vo Van Kiet asserted that the photo of Americans allegedly still living in Vietnam which was carried by some papers is totally groundless. This is an odious deed by a group of people who nurture ill-will against Vietnam. He said: The Vietnamese Government and people are willing to receive relatives of MIA's from

the Vietnam war who wish to come to Vietnam to seek and clarify the truth about the missing U.S. servicemen in Vietnam.

Miss Deborah Robertson was emotionally impressed by the cordial meeting with and the concern of Chairman Vo Van Kiet who shared profound feelings with her family and other families of U.S. MIA's during the Vietnam war. She said she would tell all the truth to the American people so that they would understand the humanitarian policy of the Vietnamese Government and people.

Premier Vows Closer ASEAN Ties, Cooperation

BK2110014191 Bangkok BANGKOK POST in English 21 Oct 91 pp 1, 3

[Interview with Prime Minister Vo Van Kiet by BANGKOK POST editor Phaisan Sicharatchanya in Hanoi on weekend of 19-20 October]

[Text] Mr Kiet's declaration, to forge friendly ties and close economic cooperation with non-communist ASEAN countries, came shortly before his official visits to Indonesia, Thailand and Singapore due to start later this week.

The visits will be Mr Kiet's first overseas trip since he assumed the premiership in August.

"Under the new regional situation, it is very necessary for all neighbouring countries in Southeast Asia to promote mutual understanding and cooperate with each other," Mr Kiet told the BANGKOK POST in an interview at the weekend.

"Close cooperation in economic, political and other fields will contribute to the peace and stability of this region, which corresponds with our own renovation policy," he said.

Senior Vietnamese officials and foreign diplomats view Mr Kiet's regional tour as highly significant since it is the first by a Vietnamese leader in the "post-Cambodia" era.

The Paris peace agreement on Cambodia should have been signed by the time Mr Kiet leaves for Indonesia on Thursday on the first leg of his tour.

Leading a high-powered delegation of more than 20 people, he is to visit Thailand from October 28-31 and spend another two days in Singapore.

Diplomatic analysts here said Vietnam wants to build new friendly relations and close economic ties with the non-communist ASEAN countries now that the conflict over Cambodia is becoming a thing of the past.

Vietnam's desire to integrate its economy into the Southeast Asian economic mainstream is also prompted by the fact that aid from its former allies—the Soviet Union and Eastern Europe—has dried up as a result of the collapse of socialism in those countries, they said.

In the 90-minute interview, Mr Kiet said he hoped to consolidate friendly relations and further develop mutual trust with ASEAN countries, which he described as Vietnam's close neighbours.

Citing the well-known Vietnamese saying, "Close neighbours are better than distant relatives," he said:

"If there are any outstanding problems or lack of understanding (between Vietnam and the ASEAN countries), this will be a good opportunity to settle them through frank discussions among the regional leaders."

Mr Kiet said the picture varies from one country to another and Vietnam hoped to tackle whatever problems crop up in the bilateral reviews "in an atmosphere of friendship and fraternity."

He described Vietnam as having no outstanding problems and enjoying mutual confidence with Indonesia.

The two countries' conflicting claims on the continental shelf is a minor issue which is nearing a solution, he said.

Thailand's relations with Vietnam have ranged from "excellent" during the 1940s (when the Thai government assisted the Vietnamese in their anti-French resistance war) to "moments of animosity" over the Cambodian issue in the past decade, he said.

"But all this belongs to the past. We should let bygones be bygones. In the new era of our relations, we should cut off what was bad in the past. Of course, we should keep the good past," Mr Kiet said.

The Vietnamese premier hailed the success of the recent visit to Hanoi by Thai Foreign Minister Asa Sarasin.

He said frank discussions between Mr Asa and Vietnamese officials had not increased tension but instead had created mutual understanding.

However, he noted that there remains "some problems" and a "lack of full confidence" between Vietnam and Thailand, adding that he will review these problems with Thai Prime Minister Anan Panyarachun in a spirit of sincerity.

Mr Kiet declined to be specific, but senior Vietnamese officials said outstanding differences with Thailand are not serious.

They said problems mainly concern lack of coordination on bilateral issues such as fisheries, trade and investment.

The Vietnamese Premier is expected to sign two agreements during his Bangkok visit, one on the establishment of a joint economic commission and the other an investment promotion and protection pact.

On Singapore, Mr Kiet said there are sharp differences caused by their perception of regional issues, despite Singapore's active trade with southern Vietnam, making it Vietnam's second largest trading partner after Japan.

Singapore has set a Cambodian settlement as a precondition for normalising diplomatic relations with Vietnam—although such ties between the two countries exist on paper.

Mr Kiet said he expected resumption of diplomatic relations with Singapore soon, now that the Cambodian problem is drawing to a close.

"Mr Lee Kuan Yew told me recently that the lost time in our bilateral relations can be made up after the Cambodian settlement," the Vietnamese Premier said.

In its pursuit of becoming an integral part of the Southeast Asian community, Mr Kiet said Vietnam is studying either joining ASEAN or participating in more recent regional initiatives, notably Malaysia's proposal for an East Asian Economic Grouping and Thailand's proposal for an ASEAN Free Trade Area.

"Vietnam finds it necessary to cooperate closely with other countries in the regional community to achieve common prosperity and to preserve peace and stability in the region," Mr Kiet said. But he said Vietnam has not yet decided what kind of cooperation to pursue.

"Maybe we can put forth our own initiatives to contribute to the mutual benefit of countries in the region," he said.

Vietnam has previously made known its intention to join ASEAN, though Mr Kiet is not expected to actively push for this during his regional tour, because different positions on the question among ASEAN members make it difficult for a consensus at this stage.

While Thailand and Indonesia support Vietnam's desire to join, Singapore opposes it.

The positions of other ASEAN members is not yet clear.

Foreign Minister Meets French Counterpart 22 Oct

*BK2310072491 Hanoi VNA in English 0610 GMT
23 Oct 91*

[Text] Hanoi VNA Oct.23—Foreign Minister of France Roland Dumas on Oct. 22 received Vietnamese Foreign Minister Nguyen Manh Cam who is now in Paris for the international conference on Cambodia.

The French minister welcomed Vietnam's goodwill and active cooperation in seeking for a just and reasonable solution to the Cambodia issue.

They expressed their satisfaction at the recent development of the relationship between the two countries, and agreed to push up their cooperation in all fields. Mr Dumas affirmed France's continued support to Vietnam in the normalization of its relations with international financial organisations.

The French foreign minister said that Vietnam has an important role in Southeast Asia, and that France is ready to cooperate with Vietnam to bring her role into full play.

The two ministers held that the coming Vietnam visit of Minister Dumas would mark a new step of development in the friendship and cooperation between the two countries.

Worker's Official on Relations With Australia

*BK2110153591 Hanoi Voice of Vietnam Network
in Vietnamese 0015 GMT 21 Oct 91*

[Interview with Cu Thi Hau, vice chairwoman of the Confederation of Vietnamese Workers, by an unidentified correspondent from LAO DONG newspaper following Cu Thi Hau's attendance at a congress held by the Australian Council of Trade Unions in Melbourne—date and place not given]

[Text] [Correspondent] This was the first time a high-ranking delegation of the Confederation of Vietnamese Workers was invited to attend a congress held by the Australian Council of Trade Unions, known as ACTU. Could you please tell us about ACTU's external policy position regarding Vietnam?

[Cu Thi Hau] First of all, it is more important to mention the significant role and great influence ACTU has had on the political life of Australia. ACTU has a membership of 50 percent of the six million Australian workers; the entire population of Australia is 17 million. Australian Prime Minister Robert Hawke was chairman of ACTU from 1969 to 1980.

Most of the ACTU leaders have held positive feelings for Vietnam and have supported it through different historical stages since the division of Vietnam and during the anti-America war. Through their speeches at this congress, I realized that aside from the opinions expressed on the protection of Australian workers, the ACTU delegates also outlined broad social targets with high international character.

In regard to Vietnam, there were voices urgently demanding that the Australian Government give aid to Vietnam so that it can quickly improve its economic situation and its people's living standards. The delegates stressed that Vietnam used to be a country with a fairly high rate of economic development among those in the Southeast Asian region. Now after the wars there and the political changes in the USSR and Eastern Europe, Vietnam is facing economic difficulties. Therefore, the Australian Government needs to quickly give economic development aid to Vietnam.

[Correspondent] After the congress, you met Australian businessmen. Do they have any problems with our law on investment?

[Cu Thi Hau] The Machine Assemblers' Union organized a meeting for our delegation so they could meet some Australian businessmen. After listening to our presentation on Vietnam's current economic policy and our report on Australian businessmen's investment in some economic fields, some of the businessmen said that some of our regulations are not good enough to guarantee foreign investment. They also suggested that we should contribute 50 percent of the capital investment on joint venture projects with other countries so we can maintain control over the country's economic activities.

[Correspondent] About our law on foreign investment, in what areas do they want better guarantees?

[Cu Thi Hau] The businessmen mentioned that the right of employers to select and employ workers is not included in our law. They want to be able to directly employ able workers for jobs and they do not want to employ people introduced by an intermediate agency. They also mentioned that we have overlapping tax collection.

[Correspondent] Can you see optimistic signs for SRV-Australia relations in the future?

[Cu Thi Hau] Australian workers unions have held affection for Vietnam over many years. That affection has again shown up clearly in the recent statement by Mr. Peter Cook, Australian minister of industrial relations.

The ACTU vice chairman also told the Vietnamese delegation: At present, giving assistance and help to Vietnam is our responsibility. Through direct contact with the Vietnamese delegation, (?ACDR) [expansion unknown], an ACTU organization for humanitarian aid, donated two printers and an electronic typewriter to our delegation and agreed to help Vietnam in providing vocational training for people who are no longer suitable to work in the state-run enterprises and in providing English lessons for Vietnamese workers' union cadres.

With the warm moral and material support for Vietnam from the Australian worker's unions during the visit, I totally believe that the current optimistic signs for improved relations between Vietnam and Australia will further develop in the future.

Do Muoi Congratulates Cambodian Party Leaders

*BK1910150891 Hanoi VNA in English 1431 GMT
19 Oct 91*

[Text] Hanoi VNA Oct. 19—Do Muoi, general secretary of the Communist Party of Vietnam Central Committee, today extended his warm congratulations to Heng Samrin and Chea Sim on their election respectively as honorary chairman and chairman of the Cambodian People's Party.

The Vietnamese party leader wished the Cambodian party leaders good health so that they can, together with

the entire Cambodian party and people, fulfil their task in the new stage, worked out by the extraordinary party congress.

He also expressed his wish for further consolidation and development of the traditional solidarity and friendship between the two parties and peoples.

Premier Congratulates Romanian Counterpart

*BK2110152591 Hanoi VNA in English 1406 GMT
21 Oct 91*

[Text] Hanoi VNA Oct.21—Chairman of the Council of Ministers Vo Van Kiet sent a congratulatory message to Mr. Theodor Dumitru Stolojan on his election as prime minister of Romania. The message said: "The Vietnamese Government and people believe that the friendly and cooperative relations between Vietnam and Romania [will] continue to be maintained and developed".

Chairman Vo Van Kiet wished his Romanian counterpart success in his highly responsible task.

Meeting Welcomes Success of Cuban Party Congress

*BK1910151891 Hanoi VNA in English 1433 GMT
19 Oct 91*

[Text] Hanoi VNA Oct. 19—Cuba Ambassador to Vietnam Armando G. Saucedo Yero organized here yesterday a get-together to welcome the success of the 4th Congress of the Cuban Communist Party.

It was attended by Mr. Truong My Hoa, secretary of the Communist Party of Vietnam (CPV) Central Committee, Nguyen Di Nien, member of the CPV Central Committee and vice foreign minister, Mrs. Nguyen Thi Dinh, president of the Vietnam-Cuban Friendship Association, and Trinh Ngoc Thai, deputy head of the External Relations Commission of the party Central Committee.

Addressing the function, Mrs. Nguyen Thi Dinh warmly welcomed the success of the 4th Congress of the Cuban Communist Party. She affirmed the Vietnamese people's solidarity and supports for the Cuban people in their resolute struggle to defend the revolutionary fruits and build their socialist fatherland.

For his part, the Cuban diplomat pointed out the Cuban party and people's determination to struggle against all sabotage schemes of hostile forces and steadily advance on their socialist path.

PRC Businessmen Visit Khanh Hoa Province

*BK2010103391 Hanoi Vietnam Television Network
in Vietnamese 1200 GMT 19 Oct 91*

[Text] Comrade Nguyen Van Anh, vice-chairman of the People's Committee of Khanh Hoa Province, and Comrade Tran Huynh, head of the provincial planning committee, received a delegation of Chinese businessmen.

This was the first delegation of Chinese businessmen to officially visit Khanh Hoa Province to probe the possibility of investing in and exchanging goods with the province at the invitation of the Khanh Hoa Province export-import company.

The delegation consisted of the directors of (Beilung Hwa) trade company, Hainan export-import company, Xian textile company, and the Chinese maritime product processing sector. The delegation was led by Mr. (Yuan Dongxin), general director of the Beijing agricultural and maritime products corporation.

During a cordial reception, the provincial leaders and the delegation of Chinese businessmen expressed the desire that the bilateral neighboring relations will become even better and that the business relations between the Chinese corporations and Khanh Hoa Province will also become even broader.

Ho Chi Minh City Party Organization Congress

Do Muoi Addresses Delegates

*BK2310141391 Hanoi Voice of Vietnam Network
in Vietnamese 1100 GMT 22 Oct 91*

[Text] The second-round congress of delegates of the Ho Chi Minh City party organization, fifth term, officially opened this morning, 22 October, with the participation of 492 delegates.

The congress had the honor of welcoming Comrade General Secretary Do Muoi; Comrade Nguyen Van Linh, adviser to the party Central Committee; and many veteran comrade revolutionaries.

Comrade Vo Tran Chi, member of the Political Bureau and secretary of the city party committee, read a report.

After reviewing the preparatory work for the second-round city party organization congress and making an objective evaluation of the achievements and shortcomings of the city party organization, fourth term, Comrade Vo Tran Chi introduced to the congress the general orientations and tasks aimed at safeguarding political stability; bringing into full play the city's potential in terms of manpower and material resources; and mustering efforts on organizing, stabilizing, and boosting industrial and agricultural development, business transactions, and service industries so as to accumulate capital from the city's economic gains and improve the people's material and spiritual life on the basis of the results brought about by a comprehensive renovation line, thus guaranteeing conditions for steady progress.

The report stressed the need to broaden democracy and revamp party organizations, administrative bodies, and mass societies so that they can satisfactorily fulfill their key roles and, together with the entire nation, positively contribute to leading the country out of the current crisis step by step and to effectively building and defending the socialist fatherland.

Addressing the congress, Comrade General Secretary Do Muoi highly valued the efforts the city has made in taking the lead in the renovation undertaking, knowing how to form bases in different sectors and among people of all walks of life to provide social services and build and develop itself. The comrade general secretary reminded the city party organization of the special need to take concrete measures to consolidate ideological and organizational work aimed at making all party members and people understand that it is of the utmost importance now to devote efforts to making the people rich and the country powerful, as well as to firmly defending the beloved fatherland. It is necessary to see to it that ideological work helps uphold our people's love for the country, socialism, Marxism-Leninism, and Ho Chi Minh's thought as well as contributes to consolidating the people's belief in the renovation undertaking.

At present, good implementation of ideological work means the ability to work out concrete measures to make the people rich and the country powerful. It is necessary to fully understand the motto: everything for the people; accelerate the renovation undertaking; firmly maintain political stability to benefit development; and resolutely oppose bureaucratism, conservatism, and sluggishness.

At the same time, firm action must be taken against all indications of opportunism and alienation from the goals of national independence and socialism, as well as all indications of deviation and extremism.

Ideological work must be effective enough to cope with increasingly sophisticated and pernicious arguments being used by hostile forces to distort the truth, sow disunity, and create instigation. To this end, the party must consolidate the contingent of cadres in charge of ideological work and must ensure very adequate personnel assignments on the ideological front.

On the first day of the congress, the delegates also heard a political report from the executive committee of the city party organization, fourth term. This important document reviews the results of the implementation of the resolution of the city party organization, fourth term, and sets forth the orientations and tasks for the city to implement during the 1991-95 five-year period in accordance with the seventh national party congress resolution.

The congress will last from 22 to 26 October.

Advance Toward Socialism Reaffirmed

*BK2310110591 Hanoi Voice of Vietnam in English
1000 GMT 23 Oct 91*

[Text] The party committee of Ho Chi Minh City held its second-round congress on Tuesday [22 October] in the presence of party General Secretary Do Muoi.

Addressing the congress, Mr. Do Muoi praised the party committee and people of the city for their achievements

in economic reform and in maintaining political stability, contributing to curbing the economic crisis and improving the people's living standards.

Party General Secretary Do Muoi said: These achievements are of significance for they uphold the great efforts of the city party committee and people in a very complicated situation at home and abroad. Reactionary forces are attempting to blockade, isolate, and cross out socialism in Vietnam.

Having put forth the orientations and tasks of the Ho Chi Minh City party committee and people in the new stage, party General Secretary Do Muoi said: Vietnam has carried out its economic reform within the complicated developments of the world situation. Besides favorable conditions and chances, Vietnam has tried hard to overcome numerous obstacles. At present, socialism is facing an overall crisis. The socialist system in the USSR no longer exists. The Soviet Communist Party's activities are cancelled. This is the greatest loss of the Soviet people and Communist Party, the international worker's and communist movements; and of the world revolutionary and progressive forces. Reactionary forces are attempting to eliminate socialism in remaining countries.

Facing this situation, many people became worried whether Vietnam can go on with its socialist path. Party General Secretary Do Muoi affirmed that Vietnam will continue to stand firm and advance toward socialism, for the Vietnamese people have always strictly implemented party policies and are determined to defend their revolutionary fruit.

In recent years, the Vietnamese people have overcome numerous difficulties and obstacles to carry on the economic reform. The policy of national independence and socialism chosen by the Vietnamese people are in conformity with the evolution of mankind. This is an historic inevitability which all nations should follow sooner or later.

Party General Secretary Do Muoi affirmed that based on what has been achieved, the Vietnamese people will certainly overcome all obstacles to carry on the socialist cause chartered out by the late President Ho Chi Minh. Of course, it is not the old type socialism. We should form the correct model for socialism to bring happiness and freedom to the people.

VNA on Congress Opening

*BK2310140191 Hanoi VNA in English 1308 GMT
23 Oct 91*

[All quotation marks as received]

[Text] Hanoi VNA October 23—Party General Secretary Do Muoi has affirmed that Vietnam will firmly stand its ground and continue to develop in spite of the all-round and profound crisis of socialism.

Addressing the fifth congress of the party committee of Ho Chi Minh City (second round) which opened yesterday with the participation of 492 delegates representing more than 78,000 party members in the city, Do Muoi said:

"Ho Chi Minh City is a major economic, cultural and scientific and technological centre, a major communication hub and an important international transaction centre. For that reason, we must pay special attention to renewing equipment and technologies, and overcoming the long-lasting backwardness of technology in order to meet the needs of development of the commodity agriculture not in the outlying districts alone but also of the whole Mekong River delta."

The party committee must take practical measures to strengthen ideological and organizational work. It must make its all party members and the broad masses clearly understand that at present no task is more important than to make the people better off and the country stronger and to ensure national security. In ideological work, it is necessary to heighten the love for the country and socialism, to strengthen the confidence in our country's road to socialism, in Marxism-Leninism, in Ho Chi Minh's thought and in the renovation cause."

We have no doubt that our party and people will overcome all difficulties and trials, stand firm in the new situation and take the country forward along the socialist road chosen by the party, Uncle Ho and the people. Of course, that is not socialism in the old model. We have to continue to study, research and draw experiences in order to gradually formulate new concepts on socialism as the basis to determine the right model of socialism which is really for the people.

We have done our best to help the Cambodian people and have made important contributions to the achievement of a peaceful settlement of the Cambodian issue. We always support the Cambodian people and affirm our intention to develop good relations with a peaceful, independent, neutral and non-aligned Cambodia which would maintain good relations with neighbouring countries.

"An agreement on an overall political solution to the Cambodian issue is going to be signed. We hope that it will be based on the respect for the sovereignty of Cambodia and its neighbours and respect for the United Nations Charter."

The Vietnamese people always attach great importance to the friendship with the Soviet people and will forever be grateful to the Soviet people for their whole-hearted support for the Vietnamese revolution. We will continue our state-to-state relations with the Soviet Union on the principles of equality, mutual benefit, respect for each other's independence and sovereignty, and non-interference in each others internal affairs. Together with the relations with the Soviet Union, we will expand our relations with the Soviet republics, especially economic relations.

The Vietnamese people are grateful to the Chinese people for their help in the past struggle against imperialism and colonialism for national independence. We shall develop our friendly and good neighbourly relations with China on the principles of respect for each other's sovereignty and territorial integrity, non-violation and non-interference in each other's internal affairs, equality, mutual benefit and peaceful-co-existence. The normalisation of the Sino-Vietnamese relations meets the basic interests of the two peoples and contributes to peace, stability and cooperation in the region and across the world.

Cuba is in an especially difficult situation. We acclaim the staunch fighting spirit of the Cuban people and Communists in face of the hostile forces which are threatening Cuba. We pledge to strengthen the relations of mutual solidarity, cooperation and support with Cuba.

"The relations between Vietnam and the Democratic People's Republic of Korea are developing in the right direction."

We will carry on our policy of normalizing relations with the United States. It is regrettable, however, that so far the United States has shown no goodwill, instead is continuing its economic blockade and embargo against Vietnam."

Do Muoi Addresses Vietnam Women's Union Session

*BK1910101191 Hanoi Voice of Vietnam Network
in Vietnamese 2300 GMT 17 Oct 91*

[Text] The Sixth Central Committee of the Vietnam Women's Union [VWU] held its seventh session in Hanoi from 14-17 October.

The session was addressed by Comrade Do Muoi, general secretary of the Communist Party of Vietnam Central Committee; Comrade Nguyen Khanh, member of the party Central Committee and vice chairman of the Council of Ministers; and Comrade Phan Minh Tanh, member of the party Central Committee and head of the party Central Committee Civil Motivation Department.

The session studied and discussed the agenda and a draft report to be presented at the Seventh National Women Congress to be held in 1992, a draft resolution on women motivation, a revised statute of the union, and matters on manpower preparations for the congress.

Addressing the session, Comrade Do Muoi solicitously inquired about the various aspects of lives of women throughout the country. The comrade cited and highly appreciated the contributions made by Vietnamese women to the party's renovation.

He also exchanged views with the participants over regional and international political matters, the current situation at home, and the political and economic prospects of the nation.

The comrade general secretary spent a great deal of time giving his views and discussing the VWU's many activities, including the motivation of women in the advance toward the Seventh National Women Congress.

On behalf of the VWU Central Committee, Comrade Nguyen Thi Dinh, chairperson of the VWU, expressed the gratitude of Vietnamese women for the attention of the party Central Committee, the Council of Ministers, and the comrade general secretary himself.

On behalf of the session, Comrade Nguyen Thi Dinh pledged she would satisfactorily carry out the task of motivating women in order to ensure ever-greater contributions by Vietnamese women to the party's renovation and to successfully conduct the Seventh National VWU congress.

Le Kha Phieu at Political Department Congress

*BK2310052891 Hanoi Voice of Vietnam Network
in Vietnamese 1430 GMT 21 Oct 91*

[Text] The party organization of the organ of the General Political Department held its 13th second-round congress of delegates from 17 to 19 October. Lieutenant General Le Kha Phieu, member of the party Central Committee and standing member of its Military Commission and director of the General Political Department, attended and addressed the congress. Also participating in the congress were the comrades representing the party Central Committee Organization Department.

Senior Lieutenant General Nguyen Nam Khanh, member of the party Central Committee, deputy director of the General Political Department and secretary of the party committee of the organ of the General Political Department, read a report evaluating the implementation of the tasks set forth for the party organization in its 1986-90 term of office and pointing out its tasks and orientations for the next five years.

Based on the position and functions of the General Political Department and faced with the need to refine and improve the quality of party and political work in the entire Army, the party organization of the organ of the General Political Department has defined its orientations and tasks for the next term of office. These involve developing to a high degree the sense of independence, self-reliance, and self-respect of the nation; striving to improve the quality and increase the efficiency of the organ's work; and strengthening the organ in every respect to make it worthy of the position and functions of an organ of the General Political Department. This is aimed contributing to the successful implementation of the Army's tasks and the party's renovation process.

Nguyen Khanh Visits Ho Chi Minh City College

*BK1910140991 Hanoi Vietnam Television Network
in Vietnamese 1200 GMT 17 Oct 91*

[Text] Comrade Nguyen Khanh, vice chairman of the Council of Ministers, recently visited the Ho Chi Minh

City Polytechnic College. He was accompanied by Comrade Tran Hong Quan, minister of education and training, and the comrade representatives of the office of the Council of Ministers and the Ministry of Education.

Comrade Nguyen Khanh worked with the leaders of the college and heard the rector, Comrade Truong Minh Ve, report on the college's research, teaching, learning activities, and results, as well as on the difficulties that must be overcome and the guidelines for its work in the years ahead.

He also toured various service, research, and production centers where he made inquiries into the real state of scientific and technical research and application. These included the data processing center which, apart from training students in the use of computers, has successfully installed a communications signal system for Tan Son Nhat Airport and an automatic telephone and telex charge computation system for the city post and telegraph office. He also visited the center for the research of plastics as a substitute for iron, steel or ceramics and which has led to the success in building fishing and life boats and manufacturing luxury toileware; and the research center for raw materials for the production of ceramic, porcelain, and glass items and fire-bricks to serve the industrial, engineering, handicraft and textile sectors, as well as kaolin for production of correction paper.

After these visits, Comrade Nguyen Khanh commended the college's leaders, lecturers, and scientists for their dynamism and creativity in applying science and technology to practical life, as well as their efforts in overcoming all difficulties in carrying out production to muster funds for the purchase of better teaching equipment and the improvement of the living standards of the college's cadres and students.

While visiting the students at their dormitory, Comrade Nguyen Khanh inquired about their studies and daily activities and urged them to try harder to overcome difficulties and to study and undergo training satisfactorily so that they can use their scientific knowledge to help make the country ever more prosperous.

Vu Oanh Visits An Giang Province 14-16 Oct

*BK2010110291 Hanoi Voice of Vietnam Network
in Vietnamese 2300 GMT 19 Oct 91*

[Text] Comrade Vu Oanh, member of the party Central Committee Political Bureau, paid a working visit to An Giang Province from 14 to 16 October. He toured the An Giang tobacco factory, the Bina rice mill, and My Thanh village in Long Xuyen city.

Comrade Vu Oanh spent much time visiting flood victims in Phu Chau district. He told the district and affected villages to concentrate on rendering relief aid in order to ensure that the people are not exposed to famine. He also urged these localities to see that land is secured on a long-term basis for the people to live and

engage in production so that economic development can be carried out along with the building of a people's security network in the border areas.

Doan Khue at Provincial Party Congress 16-19 Oct

*BK2010100491 Hanoi Voice of Vietnam Network
in Vietnamese 1100 GMT 19 Oct 91*

[Text] The 15th Quang Nam-Da Nang Province second-round party organization congress was held from 16-19 October with the participation of 353 delegates representing more than 43,000 party members.

Comrade Doan Khue, member of party Central Committee Political Bureau, and Comrade Nguyen Dinh Huong, member of the party Central Committee and vice chairman of the party Central Committee Organization Department, attended and addressed the congress.

Despite certain differences in the assessment of the situation in the past five years, the congress has, throughout its discussions, reached unanimous agreement on the orientations, goals, and concrete measures aimed at mustering efforts to implement the various socioeconomic development programs.

The following objectives have been set for 1995: It is necessary to produce 550,000 tonnes of grain; generate 385 billion dong from industrial, small industrial, and handicraft operations; secure a seven percent increase in the annual economic growth rate; obtain 50 million U.S. dollars from import-export operations; guarantee 20-22 percent of local revenue for capital accumulation; reduce the population growth rate from two percent or more to 1.7 percent; and devise plans to help the port city of Da Nang play a suitable role in the present situation.

The congress adopted the province's socioeconomic stabilization and development orientations and strategies for the period until the year 2000 and elected a new executive committee comprising 49 comrades.

Army Daily Reports Security Arrests Since 1989

*BK2010072591 Hong Kong AFP in English 0629 GMT
20 Oct 91*

[Text] Hanoi, Oct 20 (AFP)—The Vietnamese Government has arrested 107 people in the Hanoi area in the last two years for attempting to undermine national security, a press report said here Sunday.

A recent meeting to review the fight against crime in Hanoi, which was attended by Interior Minister Bui Thien Ngo, showed that 9,003 professional criminals had also been arrested during the same period, the QUAN DOI NHAN DAN reported.

The army newspaper said the 107 had been detained in connection with 71 attempts to undermine state security, including three alleged attempts to set up "reactionary organisations" which implicated 40 people.

Twenty-five of the cases led to legal action, it said, adding that authorities had also taken "educational" measures against another 287 people.

During its two-year-old national anti-crime campaign Hanoi authorities have broken up 796 gangs of professional criminals, seized 170 firearms, 248 grenades and 2,382 rounds of ammunition, it said.

Initially aimed at common law criminals, the campaign later included political crimes, particularly after the collapse of communist regimes in Eastern Europe.

The tougher policy adopted by the communist regime here was demonstrated this summer with the arrest of a number of people, including foreigners, charged with "anti-socialist activities" or "breaching national security."

Among those arrested was writer Duong Thu Huong who was accused of "gathering and attempting to disseminate overseas documents related to internal security."

Resettlement Projects Planned for Hill Tribes

*BK2010155491 Hanoi VNA in English 1500 GMT
20 Oct 91*

[Text] Hanoi VNA Oct 20—One hundred and fourteen local projects have been worked out for the settlement of some two million nomads in mountain regions across the country.

In the first ten years effort will be focused on improving welfare, developing production, putting a curb on the slash-and-burn practice that partly accounts for the loss of some 100,000 ha of forest cover every year, and developing forestry.

Resettlement undertaken single-handedly by the government was not very successful in the past years because of lack of money. Recently, with the effort of both the state and the people, 73,045 ha of waste land has been reclaimed, 21,300 ha has been planted with cash crops, and 334 irrigation works and 3000 km of road have been built on the central highlands. In Lai Chau Province on the Sino-Vietnamese border, and economic zone will take shape soon. Roads are now under construction prior to the setting up of new villages.

All these local projects have been incorporated in a master scheme by the Ministry of Forestry to be conducted until the year 2000.

Late Payment of Taxes Aggravates Budget Deficit

*BK2010075091 Hong Kong AFP in English 0546 GMT
19 Oct 91*

[Text] Hanoi, Oct 19 (AFP)—State-owned, collective and private businesses in Vietnam owe some 60 million dollars to the government, which has had a hard time collecting taxes over the past few months, the NHAN DAN said Saturday.

The party daily cited Vietnam's Central Tax Office as saying that by the end of September businesses throughout the country owed 600 billion dong (60 million dollars) in duties, of which arrears in import and export taxes alone accounted for 312 billion dong (30 million dollars).

Late payment of taxes at all levels of the economy has aggravated the central government's budget deficit. The paper singled out Vietnam's cities and large enterprises—the state's biggest sources of tax revenue—for particular criticism for failing to fulfil their fiscal duties.

The Vietnamese capital and Ho Chi Minh City, the country's financial centre, owe 82 and 388 billion dong (eight and 38 million dollars) respectively in various tax duties.

The situation recently forced the prime minister to issue a directive warning that anybody committing a serious or intentional tax offence risked legal action.

The statement also announced the launch of a nationwide campaign against tax fraud, which will continue until the end of the year.

Drug Addiction Reported Increasing in Hanoi

BK2210020091 Hong Kong AFP in English 1116 GMT 21 Oct 91

[Text] Hanoi, Oct 21 (AFP)—Drug addiction is becoming a growing problem in the Vietnamese capital with an estimated 10,000 addicts in the city, many of them minors, it was reported here Monday.

The weekly women's magazine PHU NU HANOI published the results of a recent enquiry that said the city had 250 to 300 dens where addicts could smoke or inject opium.

An estimated 10,000 addicts in this city of nearly two million people consume 100 to 150 kilograms (220 to 330 pounds) of opium daily, the magazine said, adding that between 350 million and 500 million dong (30,000 and 42,000 U.S. dollars) were going up in smoke every day.

The clandestine drug trafficking routes between the northern provinces of Hoang Lien Son, Lai Chau and Ha Tuyen that border Thailand and Laos were now working more openly, the report said.

According to the magazine, the drug traffickers were well organised and in league with officials.

Truong Quang To, director of a Hanoi drug treatment centre, was quoted by the magazine as saying 18-30 year-olds made up 72 percent of addicts while those under 18 made up four percent.

"There are even girls of 12 and 13 hooked on drugs," To said.

The presence of numerous drug dens and the activities of dealers mean that 70 percent of patients in To's clinic return to drugs after they leave, he said.

Despite the efforts of authorities to fight drug dealing, the vast profits available ensure dealers continue to sell drugs.

The owner of a den said he brought in profits of a million dong (90 dollars) a day by selling 500 grams (1.1 pounds) of opium while the average monthly salary in Hanoi was 100,000 to 150,000 dong (9 to 13 dollars).

While well-off traders account for 15 to 20 percent of addicts, the remainder are unemployed or low-paid workers, the magazine said, adding that an opium smoker consumed an average 10 to 20 "balls" of opium daily at a total cost of 10,000 to 20,000 dong.

The lack of serious legal sanctions for traffickers and consumers was one of the causes of the problem. Capital punishment had never been meted out to offenders, even though the public strongly condemned drug offences, noted the magazine.

During a mass meeting organized recently by the Centre for the Struggle Against Drugs in Hanoi's drug-using districts, parents called on the authorities to take urgent and effective measures to eradicate the drug scourge.

Population Predicted To Reach 72 Million in 1994

BK2110070791 Hanoi VNA in English 0604 GMT 21 Oct 91

[Text] Hanoi VNA Oct 21—Vietnam's population is estimated at 72 million in 1994 and 79 million in 1999, or about 4.5 million and 11.5 million more than this year, respectively.

This was forecast at a three-day conference held here recently by the General Statistics Department of Vietnam on the results of the implementation of the UNFPA [UN Fund for Population Activities] funded project VIE/88/P18 on population growth study and forecast following the second national population census conducted in 1989.

The report delivered at the conference further said that Vietnam's population will be no less than 80 million by the year 2000, including 45 million workhands, up by 10 million as compared with the country's workforce at present.

State Confers Titles of 'Professor' on Scientists

BK2010064991 Hanoi VNA in English 0533 GMT 20 Oct 91

[Text] Hanoi VNA Oct.20—The Vietnamese state has conferred the titles of "professor" on 247 science workers and "associate professor" on 835 others.

This is the third time the state awarded such titles to Vietnamese scientists.

Present at the conferment ceremony held in Hanoi on Oct. 19 were Nguyen Duc Binh, Politburo member of the Communist Party of Vietnam Central Committee; Nguyen Khanh, vice chairman of the Council of Ministers; and Tran Hong Quan, minister of education and training.

Radio Reviews TAP CHI CONG SAN for Oct

*BK2110160791 Hanoi Voice of Vietnam Network
in Vietnamese 1000 GMT 20 Oct 91*

[Summary] TAP CHI CONG SAN begins its October 1991 issue with an editorial entitled "Firmly Maintain Faith and Advance on the Path That Has Been Chosen." The editorial touches on an important and pressing question that is currently faced by our party and people: "In face of recent changes in the Soviet Union and the world coupled with newly emerged fierce challenges, can Vietnam stand firmly and advance to socialism?" After affirming that "our party and people are immovably determined to follow the socialist path—the path chosen by President Ho Chi Minh and our party and people," the editorial presents an analysis of socialism, which it claims is a world system capable of attracting millions of people all over the world.

Finally, the editorial concludes: "The important thing now is that we must maintain faith firmly; we must maintain faith even more firmly when facing difficulties."

The journal begins its "Seventh Congress, Theory and Practice" column with an article entitled "The Issue of Agriculture, Rural Areas, and Peasants in Our Country" by Nguyen Van Tri, secretary of the party committee of Quang Xuong District, Thanh Hoa Province. According to the author, the "party's viewpoint concerning the development of a comprehensive agricultural policy in combination with the settlement of the issue of agriculture, rural areas, and peasants is completely correct." However, apart from the considerable successes that have been achieved, there remain long-standing problems that should be studied scrupulously and solved.

This is followed by:

- An article entitled "Shape a New Lifestyle in the Present Stage" by Do Huy. The article says: "Each lifestyle has its own material and spiritual aspects, with the material aspect being the decisive factor and the basis for the development of that lifestyle itself."
- An article entitled "Let Intellectuals Become a Motive Force in Reality" by Khong Doan Hoi. The article "touches on the issue concerning the role and responsibility of intellectuals against the background of the industrial revolution and the shifting of our economy to a market-oriented mechanism."
- An article entitled "The External Economy in the Process of Developing the Social Economy Up to the Year 2000" by Nguyen The Uan. The article points

out a number of fundamental issues that should be firmly grasped and satisfactorily solved to successfully implement the guidelines for building and developing the external economy in the strategy for socioeconomic stabilization and development up to the year 2000.

Appearing in the "Research" column are:

- An article entitled "The Measures To Regulate and Manage the Market Under the New Mechanism" by Ngo Chi Long pointing out the positive and negative aspects of the market mechanism.
- An article entitled "Continue the Path of Perfecting Democracy" by Hoang Cong and Thanh Nghiem pointing out issues concerning the theory and practice that should be formulated to perfect democracy in the country.

The "Opinion and Experience" column begins with an article entitled "Some Problems Concerning Investment and Development Toward Social Justice" by Tran Nhon, vice minister of water conservancy. The article expounds some problems that should be tackled in investment and development to ensure social justice.

Next comes an article entitled "The Scientific and Political Character of the Task of Renovating Education on Marxist-Leninist Theory" by Le Xuan Luu. The author presents his views on how to change the contents and methods of teaching and learning Marxism-Leninism in a way that suits the revolutionary and scientific nature of Marxism-Leninism.

Also found in this column are:

- An article entitled "Quang Ninh—Potential and Development Capacity" by Tien Hai and Pham Thang.
- An article entitled "Tieng Giang—The Lesson Acquired From Reality" by Nguyen Trong.
- A article entitled "Ho Chi Minh City Applies Social Policies Toward Those Having Rendered Meritorious Services" by Nguyen Van Tri.

Appearing in the "Activity and Ideology" column is an article pointing out a patriarchal attitude in conducting criticism.

Found in the "Letter to the Editorial Staff" column are:

- An article entitled "Is It True That Communism Has Come to An End" by Nguyen Dinh Phu, director of the 3-March Enterprise in Krong Pach District of Dac Lac Province, denying that communism has bowed out despite the collapse of some communist parties.
- An article entitled "Replace the Contingent State Enterprise Directors" by Le Phi Mai, cadre of the Su That Publishing House.

The "World, Problems, and Events" column begins with an article entitled "Let's Review the Process of the U.S. Forming of a Global Strategy" by Le Lan, professor of economics and a Vietnamese resident in France, presenting the process of forming and planning the U.S. global strategy from the Reagan-Bush doctrine to the Gulf war.

This is followed by an article entitled "The Chinese Literary Circles Criticize Pluralist Doctrine in Literature" by Le Giang, NHAN DAN specialist.

Last comes the "Through Foreign Publications" column, which introduces an article titled "Regarding the So-Called Marxism of the Second Generation" from a Chinese magazine, criticizing erroneous viewpoints concerning so-called Marxism of the second generation.

VNA Reviews Hanoi Newspapers for 21 Oct

*BK2110070191 Hanoi VNA in English 0559 GMT
21 Oct 91*

[Text] Hanoi VNA Oct. 21—The press here today frontpages a communique of the Foreign Ministry on Premier Vo Van Kiet's coming official friendship visits to Indonesia, Thailand and Singapore.

Also frontpaged is a message of congratulations from Party General Secretary Do Muoi to Heng Samrin and Chea Sim over their elections respectively as honorary president and president of the Central Committee of the Cambodian People's Party.

The papers report that the joint Vietnam-Thailand Commission for Economic Cooperation held its first meeting in Bangkok on October 17-18 to exchange views on how to promote trade, economic, scientific, technical and tourist relations of the two countries in the new stage of development. Cuban Ambassador to Vietnam A. Saucedo Yero last Friday held a get-together in honour of the successful 4th Congress of the Communist Party of Cuba, the papers report.

They report that the Britain-Vietnam Association recently held a ceremony to erect a plaque in front of the New Zealand High Commission in London to mark the centenary of President Ho Chi Minh's birth.

The Vietnamese state has conferred the titles of professor on 247 science workers, and associate professor on 835 others, the papers report.

A report says that with the assistance of the World Food Programme (WFP) more than 45,000 hectares of bare hills and depleted forest land in five northern provinces have so far been covered with eucalyptus, acacia, pine and other evergreen timber species.

The papers quote Cambodian Foreign Minister Hor Namhong as stressing in an interview with foreign correspondents that the Supreme National Council (SNC) represents Cambodia's sovereignty, and the State of Cambodia will maintain diplomatic relations with foreign countries.

Australia

Hawke Says South Africa Sanctions To Be Lifted

BK2210035091 Melbourne Radio Australia in English
0300 GMT 22 Oct 91

[Text] Australia's prime minister, Bob Hawke, says trade and investment sanctions against South Africa could be lifted before the end of the year. AUSTRALIAN ASSOCIATED PRESS says Mr. Hawke has indicated that the removal of economic sanctions would probably be faster than is obvious from the final communique of the Harare summit of Commonwealth leaders.

The communique lifts so-called people-to-people sanctions on educational, scientific, travel, and cultural ties immediately and has paved the way for an end to sporting bans. It says trade and investment sanctions will be lifted when an all-party conference on the future of South Africa can be convened.

Following talks with African National Congress [ANC] leader, Nelson Mandela, Prime Minister Hawke said he expected such a conference could be in place this year. Meanwhile, Mr. Hawke and other Commonwealth leaders have reaffirmed that financial sanctions should stay until agreement is reached on details of a new South African constitution.

Mr. Hawke says he is less optimistic about a quick removal of financial sanctions with fundamental differences remaining between the ANC and the Pretoria government over details of a new constitution.

Malaysian Ties Improve After Leaders Meet

BK1910075891 Melbourne Radio Australia in English
0500 GMT 18 Oct 91

[Text] Australia's prime minister, Bob Hawke, has promised to publicly disassociate himself in future from Australian media reports which upset the Malaysian Government. Rob Rashky reports from Harare that Mr. Hawke has met with Malaysian Prime Minister Mahathir Mohamed at the Commonwealth leaders' summit in Zimbabwe's capital.

[Begin Rashky recording] Australian Government officials say the relationship with Malaysia is back on an even keel after Mr. Hawke and Dr. Mahathir met for almost an hour. From now on Mr. Hawke will publicly disassociate himself from Australian media reports that are distorted and inaccurate, after Malaysia's anger of the Australian media's betrayal of the country.

During the meeting, Dr. Mahathir acknowledged that the Malaysian media had also been unfair in its depiction of Australia. [end recording]

New Caledonia

Call for General Strike Gets 'Weak' Response

BK1610151891 Hong Kong AFP in English 0825 GMT
16 Oct 91

[Text] Noumea, Oct 16 (AFP)—Nearly 2,000 people took part in a demonstration here Wednesday organised by unions to demand better employment conditions, but the response to their call for a general strike was weak.

Only about 20 percent of government employees and 40 percent of private school staff in this French South Pacific outpost joined the strike, far lower than union predictions Tuesday of turnouts of 95 percent and 70 percent respectively.

The protests were organised by the local branch of the French Union Force Ouvriere, the Federation of Government Workers and the General Confederation of White-Collar Workers on the eve of a meeting in Paris by a committee overseeing the Matignon accords on independence for the New Caledonia.

The demonstrators and strikers had four main demands: improvements in employment, salaries, social welfare and retirement.

"While at the committee they will say that everything is all right, here on the ground we want to say that everything goes badly," said one union leader.

Recently, anti- and pro-independence groups in New Caledonia have expressed worries that Paris is trying to sidestep the Matignon accords.

The accords were signed in 1988 by both anti- and pro-independence forces and the French Government, stipulating a referendum on independence in 1998.

Two local unions, the pro-independence Union of Exploited Kanak Workers, and the Union of Workers and Employers of New Caledonia, took no part in the strike movement.

Papua New Guinea

Government Denies Red Cross Bougainville Access

BK1610113891 Melbourne Radio Australia in English
0800 GMT 16 Oct 91

[Text] The Papua New Guinea [PNG] Government has told the Red Cross it must comply with certain conditions if it wants access to the secessionist island of Bougainville. The Australian Red Cross complained last week that it was being denied access to the island as were crucial medical supplies.

The prime minister, Rabbie Namaliu, says non-government organizations will be allowed onto the island provided they meet certain conditions.

They must fly the PNG national flag, supplies must be coordinated through PNG authorities, and the organizations involved must make regular reports to the PNG government.

But, Mr. Namaliu says ships will not be allowed into the secessionist-controlled port of Arawa, precisely what the Red Cross was complaining about.

Bougainville Secessionists Seek Commonwealth Support

*BK1710073291 Melbourne Radio Australia in English
0500 GMT 17 Oct 91*

[Excerpt] [passage omitted] Secessionists from the Papua New Guinea island of Bougainville have flown to the Commonwealth Heads of Government meeting in Zimbabwe to lobby for international support.

A representative of the self-styled Bougainville interim government, (Moses Habini), said the Bougainville crisis has seen serious human rights abuses. Mr. (Habini) said the Papua New Guinea Government's refusal to allow the Red Cross access to areas on Bougainville it did not control was stopping vital medical supplies [from] getting through.

Solomon Islands

Melbourne Interviews Nori on Economic 'Crisis'

*BK2210115791 Melbourne Radio Australia in English
0803 GMT 22 Oct 91*

[From the "International Report" program]

[Text] The economic problems in Solomon Islands have reached a crisis. Last year, the government overspent by 31 percent and this year, looks like going more deeply into debt. The government led by Solomon Mamaloni is finding it increasingly difficult to pay bills and may not be able to pay public servants their wages for this fortnight. Our Pacific correspondent, Irina Reddin, reports:

[Begin recording] [Reddin] Solomon Islands economy has been strained for some years. It seems now as if that cannot go on any more because the government is having trouble paying its bills. Two weeks ago, the government threatened to withhold pay for its estimated 6,000 public servants, which include teachers and nurses. But after negotiations with commercial banks, the wages were paid.

The crisis has come around again all too fast, and it is payday again this week. To add to the government's troubles the leader of the opposition, Andrew Nori, has written to the commercial banks asking them to stop giving the government credit, and he is going to the High Court seeking an injunction to this effect. Mr. Nori says the government has extended its overdraft way above reasonable limits.

[Nori] The normal (?practice) in any company, any corporate arrangement, is that when you can no longer meet your legal obligations to pay wages and salaries you have to cut costs. And at the moment, there is no sign of the government accepting realities, they are maintaining the same level of costs and expenditures, and as a result, we are heading for financial disaster.

[Reddin] Sir, what proposals would you sponsor? How would you do it differently?

[Nori] Well, in brief, what is required at the moment is a very basic principle that should be applied in this situation. That is, government should immediately consider cutting costs, (?rebuilding) ministries, retrenching public servants, and perhaps, also suspending provincial governments to ensure that funds are used protectively on only essential services. We need to cut costs, we have to accept the fact that we do not have enough revenue to finance the big government machine that we have at the moment.

[Reddin] This is probably one of the last battles Mr. Nori will fight as opposition leader. On 1 November he will step down and the Labor Party's parliamentary leader, Joses Tuhanuku, takes over. Mr. Nori is a well-respected politician who many say has established an effective checks-and-balances system in Solomon Islands Parliament. So I asked him why he had resigned.

[Nori] There are many reasons, but basically I think as a leader of the opposition I have failed to make gains for the opposition in terms of numbers. And, secondly, I feel that my position in the opposition may be counterproductive in our attempt to win support within Parliament, and (?frankly) I think that two years is enough in this kind of job.

[Reddin] Why do you think your presence might be counterproductive as leader of the opposition?

[Nori] Well, in the politics of Solomon Islands, you know, who is placed where at a certain point of time is important, and I feel that I may not be the right person to be holding this post at the present time. We have important decisions to make, which revolve around who leads who at what place and at what point of time, so I feel that [words indistinct] is for me to step to. I will be playing an important role in the opposition though, I am not running away from them, I may have to give them the support, both in Parliament and outside. [end recording]

Opposition Seeks Limit to Government Borrowings

*BK2110060091 Melbourne Radio Australia in English
0500 GMT 21 Oct 91*

[Text] The Solomon Islands opposition leader, Andrew Nori, says he is to seek a high court injunction on Wednesday preventing the country's three commercial banks from giving any more overdraft facilities to the government.

Mr. Nori said he was taking the action because the government had reached its borrowing limit of \$4.5 million [currency not further specified] provided for in the 1991 Appropriations Act. He said if the banks allowed further overdraft facilities this would only encourage the government to lead the country into financial disaster.

A Radio Australia correspondent in Honiara says the government was initially unable to pay the salaries of public servants on their last pay day two weeks ago. He says the salaries were later paid but only after negotiations between the government and the banks. The next pay day is Thursday [24 October], with the government due to make a total payout of about \$1.3 million.